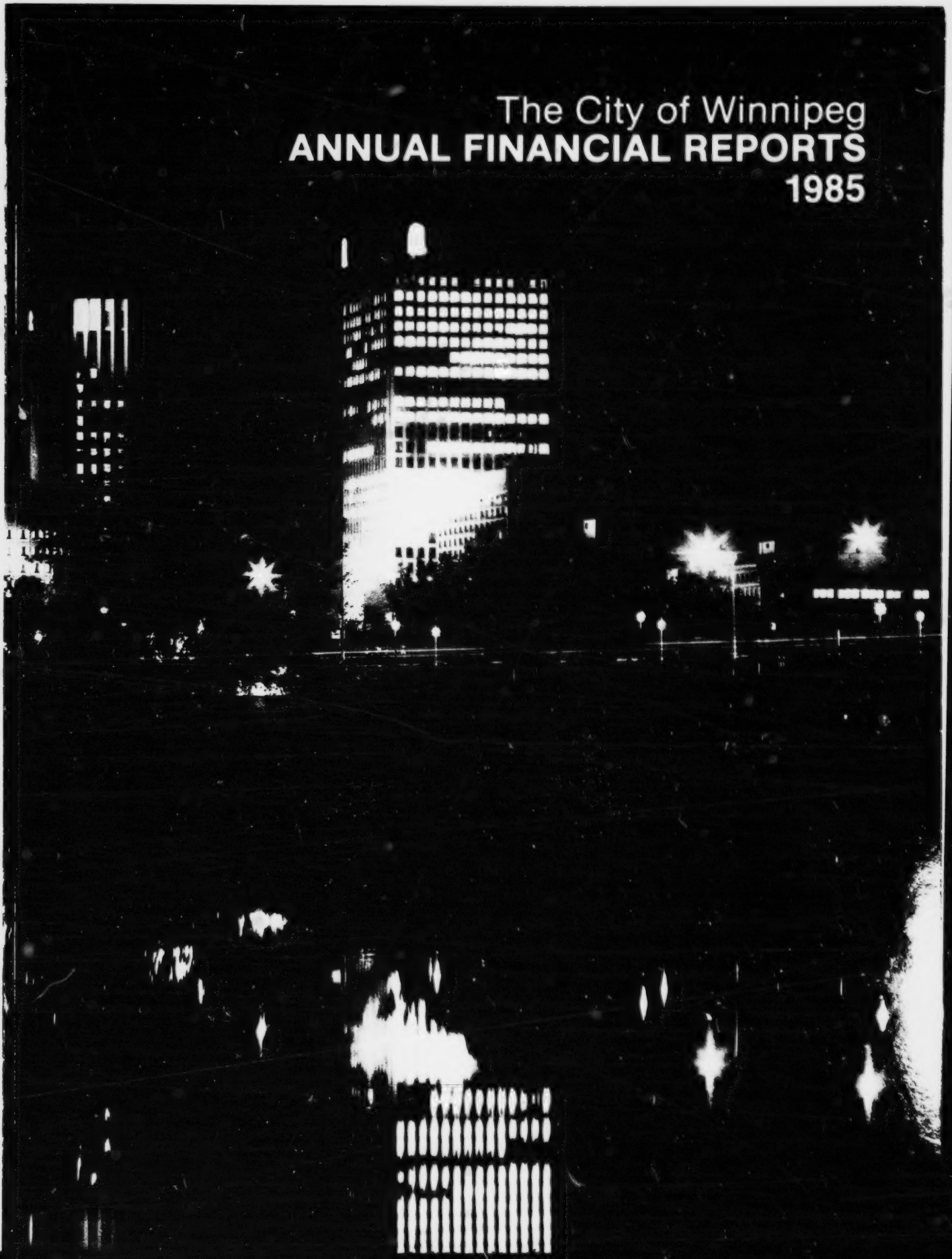

The City of Winnipeg
ANNUAL FINANCIAL REPORTS
1985

86-05946/

Cover Photo © Henry Kalen

This year the City of Winnipeg's Annual Financial Report features a number of photographs of architectural models of the North Portage Development. These photographs appear on pages 8, 12, 46, 98 and 168.

THE CITY OF WINNIPEG

MANITOBA, CANADA

Annual Financial Reports 1985

- **City Treasurer**
- **Sinking Fund Trustees**

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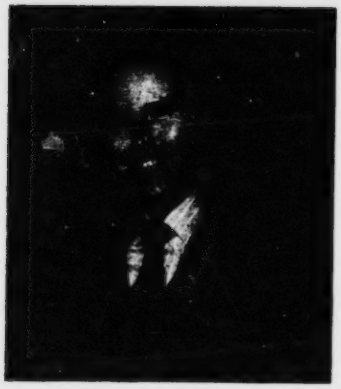
City Council—1985



Mayor
His Worship William Norrie, Q.C.

Deputy Mayor
James A. Ernst

COUNCILLORS
(Listed by Community Committee)

ASSINIBOINE PARK—FORT GARRY
John Angus
Dave Brown
Bill Clement
Larry Fleisher
Bill Neville

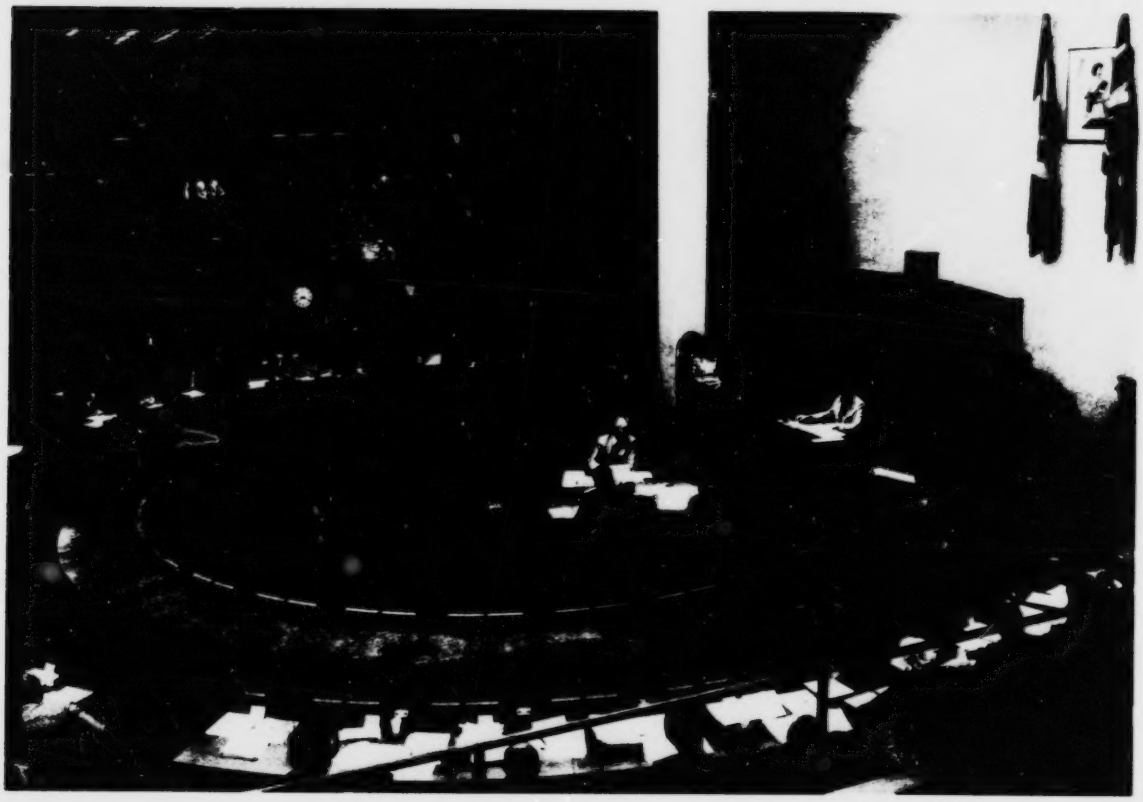
CITY CENTRE—FORT ROUGE
Magnus Eliason
Donald I. Gerrie
Harold Macdonald
Harvey R. Smith
Harold Taylor
Alan C. Wade

EAST KILDONAN—TRANSCONA
Anne Jorowski
Don Mitchelson
Jim Ragsdill
Alfred J. Skowron
Reg Wyatt

LORD SELKIRK—WEST KILDONAN
William Chornopyski
Harry Lazarenko
Chris Lorenc
Helen Promislow
D. Abe Yanofsky, O.C., Q.C.

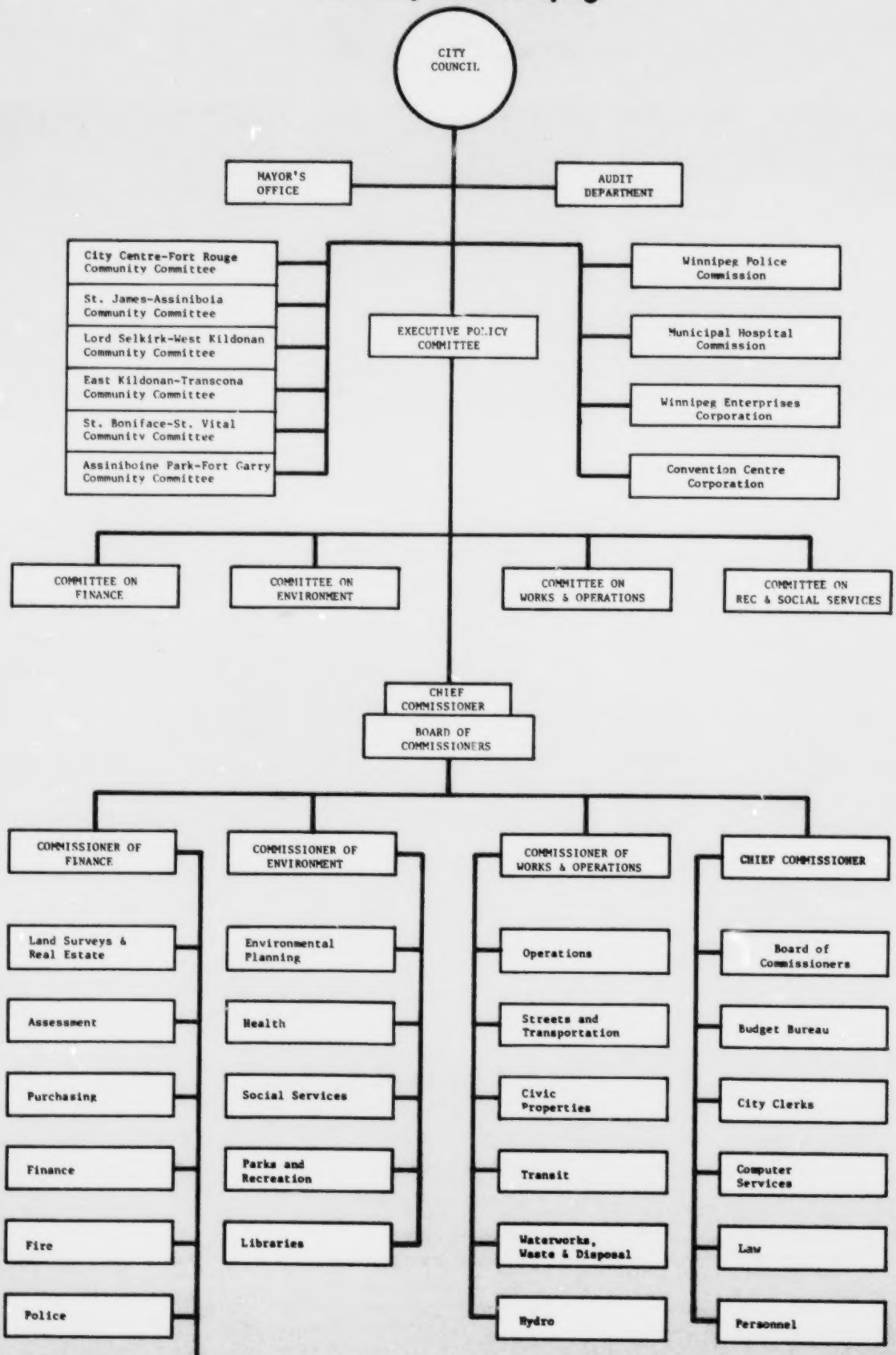
ST. BONIFACE—ST. VITAL
Al Ducharme
Gerry Ducharme
Evelyn Reese
Guy M. Savoie

ST. JAMES—ASSINIBOIA
Bob Douglas
Jae Eadie
James A. Ernst
Eric Stefanson



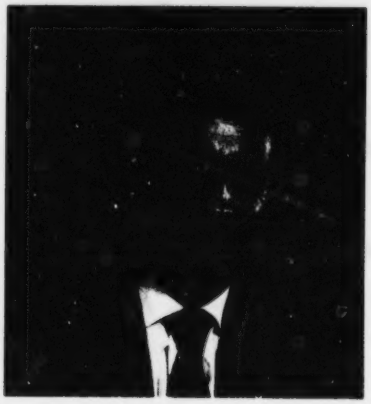
City Council in Session

The City of Winnipeg

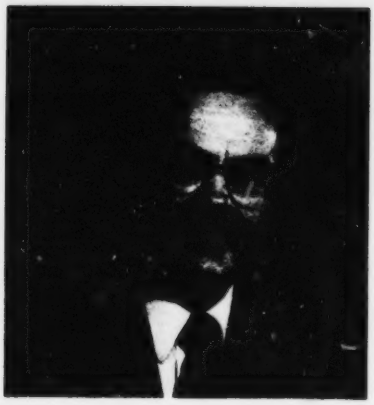


The Board of Commissioners

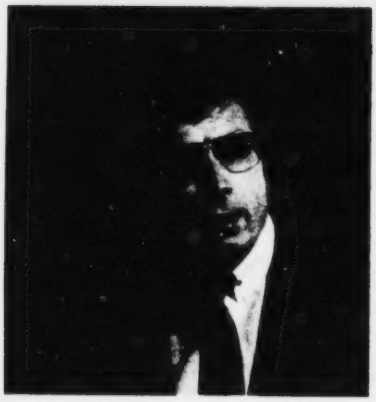
His Worship
Mayor William Norrie



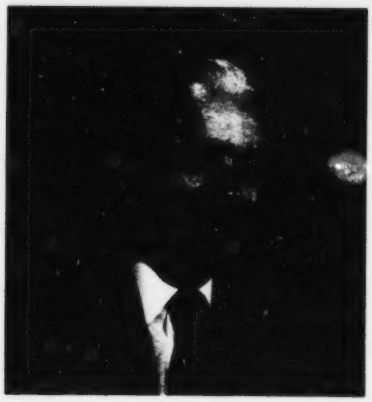
G. Ducharme
Chairman of Executive
Policy Committee



N. W. Diakiw
Chief Commissioner



M.G. Anderson
Commissioner of
Finance



D. G. Henderson
Commissioner of
Environment

R.J. McRae
Commissioner of
Works and Operations

* * * * * * * * *

Officials of Finance Department

Mr. L. Hutcheon
City Treasurer

Mr. J. L. Scott
Assistant Deputy City Treasurer

Mr. E. E. Skehar
Director of Accounting

(Vacant)
Deputy City Treasurer

Mr. M. Bilow
Director of Operations

Mr. H. E. Wilms
Director of Financial Services

Annual Report of the City Treasurer 1985

Treasurer's Report

June 27, 1986

His Worship the Mayor
and Members of the Council
of The City of Winnipeg.

Ladies and Gentlemen:

I am pleased to present herewith the Annual Financial Statements of The City of Winnipeg for the year 1985. Included are the Combined Balance Sheet and Statement of Revenue and Expenditure together with supporting statements of each of the separate accountable units of the City, namely General (Tax Supported); Reserve and Trust Funds; Equipment and Material Services Fund; the Utilities (Hydro Electric, Steam Heating, Transit, Water Works and Sewage Disposal Systems); the Winnipeg Ambulance Service, the Municipal Hospital Commission, and Pension Funds, all of which have been duly audited.

This report includes statements which provide additional information on matters such as tax levies and rates, assessment, debenture debt analyses and floating debt.

Despite some severely unfavourable budgetary variances in the City's general operations — notably in diminished investment earnings (caused by a substantial decline in interest rates), and the court-ordered retroactive property tax reductions — the year 1985 was concluded with a surplus of $549,928. That factor, together with well-maintained tax collection levels (Page 141) and favourable debt service ratios (Page 142) demonstrates the continuing stability of the City's financial position.

This publication also includes the Annual Report of the Sinking Fund Trustees and as well the Annual Financial Statements of The Convention Centre Corporation and Winnipeg Enterprises Corporation.

I take pleasure in acknowledging the co-operation and assistance received from the members of The Board of Commissioners, Department Heads and other officials of the City's various departments, and extend thanks to them and the staff of the Finance Department for their support.

The co-operation and assistance rendered by officials of other levels of government is also gratefully acknowledged.

Respectfully submitted,

L. Hutcheon.
City Treasurer.

Auditor's Report

To The Mayor and Members
of City Council,
The City of Winnipeg.

In accordance with the requirements of The City of Winnipeg Act, I have examined the combined balance sheet, the balance sheets of The City of Winnipeg General Capital Fund, General Revenue Fund, Hydro Electric System, Steam Heating System, Water Works System, Sewage Disposal System, Transit System, Equipment & Material Services Fund, Ambulance Service, General Reserve Fund, Equipment Replacement Reserve Fund, Recreation Programming Reserve Fund, Future Tax Levies Reserve Fund, Severance Sick Leave Reserve Fund, Land Operating Reserve Fund, Watermain Renewal Reserve Fund, Trust Fund, Zoo Animals Reserve Fund, Zoo Purposes Reserve Fund and Contributions in Lieu of Land Dedication Reserve Fund as at December 31, 1985 and the related statements of revenue and expenditure, retained earnings, reserve accounts, trust fund account, statement of source and application of capital funds and statements of changes in financial position, for the year then ended. My examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required. I report separately on the various boards, commissions and pension funds.

QUALIFICATIONS:

Certain Local Improvement Taxes which commenced in 1976 and 1977 were taken into revenue in advance of the related debt charges, which did not commence until 1978. The accumulated revenue which should have been deferred results in an understatement of liabilities of $1,900,000. Generally accepted accounting principles require a matching of revenue and expenditures. Therefore, this revenue should have been deferred to the year of maturity of these by-laws. The accounting treatment used has the effect of overstating the General Revenue Fund Surplus by the above amount in the current year and understating the General Revenue Fund Surplus in the year of maturity of the two by-laws.

The effect of the above qualification on the General Revenue Fund Surplus is as follows:

Surplus per Financial Statements	$ 549,928
Less: Local Improvement Taxes Which Should Have Been Deferred in Previous Years	1,900,000
Deficit per Audit	($1,350,072)

As disclosed in Note 11 to the financial statements of the Hydro Electric System, the power agreement with Manitoba Hydro for the purchase of power required in excess of the System's generating capacity expired November 30, 1984. Since the expiry date of the agreement, estimated amounts based on the parameters of the expired agreement are paid monthly. In the thirteen periods ended December 31, 1985, a total amount of $34.84 million has been paid to Manitoba Hydro.

Payments based on estimates are not actual costs which may be either higher or lower. Since estimated electricity purchases are approximately 50% of total Hydro Electric System expenditures, it is not possible to ensure the fairness of the Hydro Electric System financial statements.

Subject to the qualification in the previous paragraphs, in my opinion, the aforementioned financial statements present fairly the financial position of The City of Winnipeg as at December 31, 1985 and the results of its operations for the year then ended in accordance with accounting principles described in the notes to the financial statements applied on a basis consistent with that of the preceding year.

L. G. Marks

CHARTERED ACCOUNTANT
AND CITY AUDITOR

Winnipeg, Manitoba
June 27, 1986

COMMENTS ON SUPPLEMENTARY FINANCIAL INFORMATION

I have reported to the Mayor and Members of Council on my examination for the purpose of expressing an opinion on the financial statements of The City of Winnipeg for the year ended December 31, 1985.

I do not express an opinion on the statistical schedules since my examination did not extend to the detailed information therein.

L. G. Marks

CHARTERED ACCOUNTANT
AND CITY AUDITOR

Winnipeg, Manitoba
June 27, 1986

Model of Portage Place retail complex

Combined Financial Statements

The City of Winnipeg
Combined Balance Sheet

As at December 31, 1985

	General Capital & Revenue Funds	Reserve and Trust Funds	Equipment & Material Services Fund	Ambulance Service	Hydro Electric System	Steam Heating System	Transit System	Water Works System	Sewage Disposal System	TOTAL
ASSETS										
Cash	$ 6 102 227	$ 3 529	$ 75	$ 200	$ 105 879	$ 100	$ 215 042	$ 20 638	$ 150	$ 6 447 850
Short Term Investments	130 290 660	727 000								131 017 660
Long Term Investments	375 554	10 853 219								11 328 773
Accrued Interest Receivable	3 363 560	160 018								3 523 578
Accounts Receivable Net	31 667 941	5 087 428	66 172	373 088	7 776 682	857 393	695 324	2 708 112	269 231	49 501 371
Due from Other Funds	16 523 489	75 082 837	558 101					11 020 313	13 651 596	116 836 337
Material and Supplies	1 868 621		3 524 223		2 633 725	235 439	1 973 406	269 569		11 505 983
Deferred Charges	27 368 428	1 678			3 275 160	46	1 170 967	3 766 935	2 526 727	38 059 941
Wpg. S D #1 Debentures	851 000									851 000
Sinking Funds Held For Retirement of Debt	150 593 334				26 003 132		8 674 222	25 463 641	17 133 222	227 867 551
Property Plant & Equipment	373 197 846	9 892 960	30 258 253	22 688	66 217 760	242 057	16 395 146	37 388 101	55 997 684	589 612 495
Capital Grants	7 165 588									7 165 588
	$859 468 248	$101 808 669	$35 406 824	$ 395 976	$106 012 335	$ 1 335 135	$29 074 507	$80 637 430	$89 578 610	$1 303 717 734
LIABILITIES										
Bank Overdraft	$ 1 092 798	$	$	$	$	$	$	$	$	$ 1 092 798
Call Loans	26 573 500									26 573 500
Accounts Payable	128 408 300	320 578	1 315 928	182 252	5 455 776	675 366	2 379 568	1 755 664	2 893 447	143 386 819
Accrued Debenture Interest	14 062 075				1 273 667	776	297 654	1 949 910	2 408 459	19 992 541
Due to Other Funds	98 953 387	639 236		213 724	1 797 883	590 082	11 125 406	1 999 676	1 577 103	116 836 337
Deferred Liabilities	4 955 740		339 114							5 294 854
Deferred Revenue	13 270 351	1 697 462					53 190			15 021 003
Customers Deposits	1 594 410	12 019			821 269	33 115				2 460 813
Debenture Debt	375 786 740				57 177 325	54 000	12 100 000	56 882 709	65 072 691	567 073 465
Provision for Foreign Exchange	65 935 939				5 475 222		3 118 689	8 975 389	9 611 369	93 116 699
Sinking Fund Reserves	128 285 080									128 285 080
Current Revenue Surplus	549 928									549 928
	$859 468 248	$ 2 669 295	$ 1 655 042	$ 395 976	$ 72 001 082	$ 1 293 339	$29 074 507	$71 563 379	$81 563 069	$1 119 683 937
EQUITY										
Capital Invested in Plant	$	$	$30 144 313	$	$ 2 632 457	$	$	$	$	$ 32 776 770
Reserves		99 139 374			3 259 585					102 398 959
Retained Earnings			3 607 469		28 119 211	41 796		9 074 051	8 015 541	48 858 068
	$	$ 99 139 374	$33 751 782	$	$ 34 011 253	$ 41 796	$	$ 9 074 051	$ 8 015 541	$ 184 033 797
	$859 468 248	$101 808 669	$35 406 824	$ 395 976	$106 012 335	$1 335 135	$29 074 507	$80 637 430	$89 578 610	$1 303 717 734

The City of Winnipeg
Combined Statement of Revenue and Expenditure

As at December 31, 1985

	General Capital & Revenue Funds	Reserve and Trust Funds	Equipment & Material Services Fund	Ambulance Service	Hydro Electric System	Steam Heating System	Transit System	Water Works System	Sewage Disposal System	TOTAL
REVENUE										
Taxation										
Municipal	$302.865.510	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$302.865.510
Education	205.831.101	—	—	—	—	—	—	—	—	205.831.101
	508.696.611	—	—	—	—	—	—	—	—	508.696.611
Operating Revenue	43.840.128	13.227.001	34.819.277	2.385.767	77.690.875	3.714.874	30.688.462	35.901.597	27.806.295	270.074.276
Provincial and Federal Grants	76.305.820	—	—	1.048.111	—	18.729	16.127.636	195.298	55.913	93.751.507
Interest Earned	—	10.258.837	—	—	863.654	—	—	—	—	11.122.491
Debt Charges Recovered	20.938.840	—	—	—	1.143.053	—	735.827	1.606.022	1.083.777	25.507.519
Previous Revenue Surplus	3.044.222	—	—	—	—	—	—	—	—	3.044.222
Contributions from Other Funds	29.113.000	9.824.001	—	2.432.323	—	927.138	15.569.956	8.117.123	946.318	66.929.859
TOTAL REVENUE	$681.938.621	$33.309.839	$34.819.277	$5.866.201	$79.697.582	$4.660.741	$63.121.881	$45.820.040	$29.892.303	$979.126.485
EXPENDITURE										
Depreciation, Debt and Finance	$ 91.844.094	$ —	$ —	$ 263.670	$ 8.953.744	$ 75.357	$ 2.477.609	$12.023.590	$12.473.937	$128.112.001
Operating Expenses	339.515.900	17.024.561	34.169.902	5.602.531	54.044.014	4.585.384	60.644.272	23.382.452	16.024.012	554.993.028
Transfer Provincial Grants	16.043.294	—	—	—	—	—	—	—	—	16.043.294
Contributions to Other Funds	28.154.304	13.925.920	—	—	927.138	—	—	8.122.497	—	51.129.859
Education Payments	205.831.101	—	—	—	—	—	—	—	—	205.831.101
TOTAL EXPENDITURE	681.388.693	30.950.481	34.169.902	5.866.201	63.924.896	4.660.741	63.121.881	43.528.539	28.497.949	956.109.283
REVENUE OVER (UNDER) EXPENDITURE	549.928	2.359.358	649.375	—	15.772.686	—	—	2.291.501	1.394.354	23.017.202
	$681.938.621	$33.309.839	$34.819.277	$5.866.201	$79.697.582	$4.660.741	$63.121.881	$45.820.040	$29.892.303	$979.126.485

Notes To The Combined Financial Statements

December 31, 1985

1. **Basis of Combined Statements**

   These statements are a summary of the funds illustrated and reported on in detail in the ensuing pages. City-related corporations, Pension Funds and the Municipal Hospitals are excluded. The Sinking Fund for retirement of debt is included as it relates to the funds recording the debt.

2. The Hydro Electric System column on the Statement of Revenue and Expenditure does not include a contribution to the General Fund of $15,800,000 out of Retained Earnings.

Rendering of Investors Building, One Canada Place

General Funds

The City of Winnipeg
General Capital Fund Balance Sheet
As at December 31, 1985

Assets

	1985	1984
ACCOUNTS RECEIVABLE, net		
Province of Manitoba	$ 899,263	$ 1,140,131
Government of Canada	1,383	39,283
Other	408,742	485,517
	1,309,388	1,664,931
DUE FROM WINNIPEG AMBULANCE SERVICE	22,688	68,925
DUE FROM MUNICIPAL HOSPITAL COMMISSION	88,669	104,660
DEFERRED CHARGES	279,479	486,422
FUNDS ON DEPOSIT		
Sinking Fund Trustees of the City of Winnipeg (Note 4 & 6(a))	150,593,334	132,507,302
Sinking Fund Trustees of Winnipeg School Division No. 1 (Note 5(d))	—	1,159,457
	150,593,334	133,666,759
FIXED ASSETS at amount of existing liabilities (Note 1(E))	410,426,949	380,374,149
Financed from General Reserve Fund (Note 2(a))	49,603,179	42,863,958
Financed from Land Operating Reserve Fund (Note 2(b))	2,753,002	2,502,930
	462,783,130	425,741,037
CONVENTION CENTRE, at amount of existing liabilities	10,414,716	11,009,967
WINNIPEG SCHOOL DIVISION NO. 1, at amount of existing liabilities (Note 5(d))	851,000	2,418,000
CAPITAL GRANTS, at amount of existing liabilities		
Hospitals	2,161,853	2,465,853
Manitoba Centennial Corporation	1,800,000	1,800,000
Joint Use Facilities (Note 3)	3,203,735	3,069,541
	7,165,588	7,335,394
DEFERRED FOREIGN EXCHANGE	26,687,038	22,437,117
	$660,195,030	$604,933,212

Liabilities

SHORT-TERM		
Due to General Revenue Fund	$ 25,807,995	$ 23,404,798
Accounts Payable	2,611,363	2,876,505
	28,419,358	26,281,303
LONG-TERM		
Debenture Debt (Note 5)	375,786,740	350,409,799
Provision for Foreign Exchange at Maturity (Note 1(A) & 6(b))	43,627,685	40,780,951
Deposits with Sinking Fund for Foreign Exchange (Note 6(a))	22,308,254	16,095,609
Debt at December 31, Exchange Rates	441,722,679	407,286,359
Due to General Reserve Fund (Note 2(a))	49,603,179	42,863,958
Due to Land Operating Reserve Fund (Note 2(b))	2,753,002	2,502,930
Deferred Liabilities (Note 7)	4,378,059	4,553,073
	498,456,919	457,206,320
DEFERRED CREDITS		
Prepaid - Local Improvements	2,203,426	1,961,745
Development Agreements - Capacity Charges	1,144,916	779,018
Development Agreements - Pipeline East Area	686,346	686,346
Future Regional Roadways	480,600	90,300
Other	518,385	357,029
	5,033,673	3,874,438
RESERVES		
Sinking Fund Reserve (Note 8)		
Actuarial Requirements in Canadian Funds (Including Schools)	110,557,348	101,929,452
Sinking Fund Surplus and Liabilities	17,725,732	15,639,699
J.D. O'Connell Trust Fund	2,000	2,000
	128,285,080	117,571,151
	$660,195,030	$604,933,212

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
General Revenue Fund Balance Sheet

As at December 31, 1985

Assets

	1985	1984
CASH	$ 6,102,227	$ 4,098,047
SHORT-TERM INVESTMENTS, at cost	139,820,181	164,439,970
ACCRUED INTEREST RECEIVABLE	3,363,560	2,836,600
LONG-TERM INVESTMENTS, at par	475,554	649,564
DEVELOPMENT DEPOSIT INVESTMENTS	470,479	150,229
TAX ARREARS (Note 1(B) & 9)	36,574,546	37,320,820
Less Allowance	36,574,546	37,320,820
	NIL	NIL
ACCOUNTS RECEIVABLE		
Province of Manitoba	15,417,143	16,375,493
Government of Canada	1,094,220	2,071,678
Sinking Fund Trustees	6,699,413	5,650,735
Other	2,988,128	2,875,430
	26,198,904	26,973,336
Less Allowance (Note 1(C))	1,521,250	1,561,849
	24,677,654	25,411,487
DUE FROM WORKERS COMPENSATION RESERVE FUND	124,800	255,300
DUE FROM INSURANCE RESERVE FUND	514,436	608,846
DUE FROM OTHER FUNDS	47,261,790	29,932,598
MATERIALS AND SUPPLIES, at cost (Note 1(F))	1,868,621	1,825,345
DEFERRED CHARGES	401,911	366,079
	$225,081,213	$230,574,065

Liabilities

BANK OVERDRAFT	$ 1,092,798	$ 8,210,575
CALL LOANS	26,573,500	39,047,000
BALANCE OF CURRENT TAX LEVIES PAYABLE TO		
Public Schools Finance Board	45,098,193	44,510,401
School Divisions	37,234,234	33,575,081
	82,332,427	78,085,482
ACCOUNTS PAYABLE AND OTHER LIABILITIES (Note 1(D) & 11)	43,679,716	37,027,538
ACCRUED DEBENTURE INTEREST	14,062,075	12,224,925
DUE TO OTHER FUNDS	46,382,000	43,741,568
SURPLUS ON SUNDRY OPERATIONS	577,681	377,857
LOCAL IMPROVEMENT TAXES COMMUTED	4,457,140	4,281,063
PROVISION FOR AMORTIZATION OF BRANCH LIBRARIES	3,886	9,029
DEFERRED REVENUE	3,775,652	3,523,764
DEVELOPMENT AND OTHER DEPOSITS	1,594,410	1,001,042
	224,531,285	227,529,843
SURPLUS FOR THE YEAR	549,928	3,044,222
	$225,081,213	$230,574,065

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg - General Revenue Fund
Statement of Revenue and Expenditure
For the Year Ended December 31, 1985

REVENUE	Budget 1985	Actual 1985	Actual 1984
MUNICIPAL TAXATION			
Property Tax—General Municipal (Note 13)	$216,405,569	$216,405,569	$205,358,991
Transfer from Future Tax Levies Reserve Fund—Taxes Added (Note 14)	2,048,000	2,048,000	1,072,000
Local Improvement Taxes, etc.	18,249,000	17,659,669	16,065,993
Local Improvement Taxes Commuted	750,000	987,177	748,261
Licenses in Lieu of Realty Tax (Note 15(a))	324,000	327,853	306,259
Business Tax	29,380,000	28,639,496	28,234,247
Licenses in Lieu of Business Tax (Note 15(b))	1,142,000	1,466,992	1,316,857
Amusement Tax	1,360,000	1,648,562	1,401,122
Electricity and Gas Sales Tax	7,650,800	8,109,132	7,671,523
Special Utility Tax—City Steam Heating	101,700	109,304	84,881
	277,411,069	277,401,754	262,260,134
GRANTS IN LIEU OF TAXES—Property and Business	28,365,237	27,511,756	26,438,342
PROVINCIAL GOVERNMENT GRANTS			
Unconditional			
Current Programs	18,200,000	18,200,000	26,500,000
Municipal Tax Sharing	19,218,367	19,219,182	17,818,367
Transit Deficit (Note 18)	15,446,515	14,995,183	15,414,227
Social Assistance	17,102,397	17,600,904	16,267,581
Contributions to Hospital Debt Charges	667,591	667,591	669,199
Libraries	1,120,650	1,120,652	1,120,652
Provincial Support Grant	3,304,983	3,161,138	3,206,918
Winnipeg Ambulance Service	988,101	991,170	959,321
Dutch Elm Disease	350,000	350,000	350,000
	76,398,604	76,305,820	82,306,265
FEDERAL GOVERNMENT GRANTS			
Victim Assistance	—	—	21,249
OTHER REVENUE			
Permits and Fees	3,441,500	4,310,483	3,298,093
Licenses	1,267,000	1,257,562	1,195,400
Court and Parking Fines	7,279,000	5,824,229	5,167,711
Enterprise Operations	1,824,516	2,026,342	1,770,075
Sales of Goods and Services (Note 20)	11,936,440	13,008,571	12,849,131
Interest Earnings	13,623,500	7,632,086	9,488,090
Interest Capitalized	3,000,000	2,856,249	3,110,659
Tax Penalties	6,000,000	5,838,618	5,669,554
Sundry	1,050,710	1,085,988	880,441
	49,422,666	43,840,128	43,429,154
CAPITAL FINANCING			
Contribution from Sinking Fund	8,000,000	14,553,012	9,716,711
Sinking Fund Earnings	—	5,656,990	4,782,365
Debt Charges Recovered	728,844	728,838	873,762
	8,728,844	20,938,840	15,372,838
CONTRIBUTIONS AND TRANSFERS			
Contribution from Hydro Profit	9,200,000	15,800,000	9,020,000
Transfer from Land Operating Reserve Fund (Note 19)	1,300,000	6,265,000	1,348,833
Contribution from Future Tax Levies Reserve Fund (Note 19)	—	5,000,000	—
	10,500,000	27,065,000	10,368,833
SURPLUS FROM PREVIOUS YEAR	2,950,000	3,044,222	5,442,960
TOTAL MUNICIPAL REVENUE	453,776,420	476,107,520	445,639,775
REVENUE COLLECTED ON BEHALF OF SCHOOL AUTHORITIES			
Property Tax	184,542,157	184,542,157	175,615,187
Grants in Lieu of Property Tax	21,288,944	21,288,944	19,598,546
	205,831,101	205,831,101	195,213,733
	$659,607,521	$681,938,621	$640,853,508

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

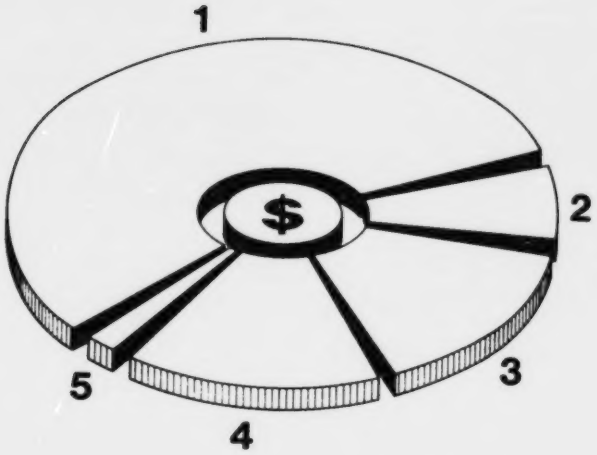
The City of Winnipeg
General Revenue Fund
Statement of Revenue and Expenditure

For the Year Ended December 31, 1985

	Budget 1985	Actual 1985	Actual 1984
EXPENDITURE			
MUNICIPAL			
General Government (Note 20(a))	$ 26,863,704	$ 26,413,767	$ 24,930,458
Assessment and Board of Revision	4,084,252	4,042,451	3,663,586
Environmental Planning	8,246,909	8,336,241	7,823,272
Public Works and Operations	67,746,024	71,943,102	64,835,803
Parks and Recreation	47,278,712	46,914,281	45,668,446
Transfer to Recreation Programming Reserve	—	72,699	112,304
Libraries and Museums	8,505,532	8,322,817	8,129,457
Protection	90,361,011	90,598,310	88,234,694
Health Services	4,454,717	4,415,709	4,203,394
Social Aid, Including Administration	25,373,541	26,100,334	24,120,952
Taxes on City Property	2,225,000	1,827,595	1,859,091
Special Grants	1,647,403	1,826,660	1,677,966
Insurance and Damage Claims	825,900	877,867	636,218
Winnipeg Ambulance Service	3,680,313	3,480,434	3,553,112
Convention Centre	751,000	751,000	729,000
Water Works and Sewage Disposal Frontage Levies	9,044,000	9,063,441	7,077,693
Appropriation to Transit System	31,464,901	30,565,139	31,494,517
Employee Benefits	25,169,140	27,276,673	25,272,990
Amortization of Pension Fund Deficits (Note 16)	5,552,923	5,885,044	4,646,818
Contribution to Severance Sick Leave Reserve Fund	962,000	962,000	720,000
Health and Education Tax	3,114,000	3,078,475	2,998,096
Retroactive Property Assessment Revisions (Note 19)	—	8,517,523	—
Sundry	2,379,608	2,441,936	1,807,054
Capital Financing			
Debenture Debt Charges	60,015,330	58,807,524	53,332,912
Non-Debenture Funding	11,060,500	10,170,542	9,393,707
Financial Expense	2,270,000	2,761,045	2,238,233
Foreign Exchange	6,200,000	7,434,596	6,403,311
Amortization of Foreign Exchange	3,000,000	5,513,397	3,750,104
Contributions to Capital	1,500,000	1,500,000	8,500,000
Sinking Fund Earnings Applied to Debt Amortization	—	5,656,990	4,782,365
TOTAL MUNICIPAL EXPENDITURE	453,776,420	475,557,592	442,595,553
SURPLUS FOR THE YEAR	—	549,928	3,044,222
	453,776,420	476,107,520	445,639,775
PAYMENTS TO SCHOOL AUTHORITIES			
Provincial Education Support Program Levy	112,745,483	112,745,483	111,276,002
Special Levy—School Divisions	93,085,618	93,085,618	83,937,731
	205,831,101	205,831,101	195,213,733
	$659,607,521	$681,938,621	$640,853,508

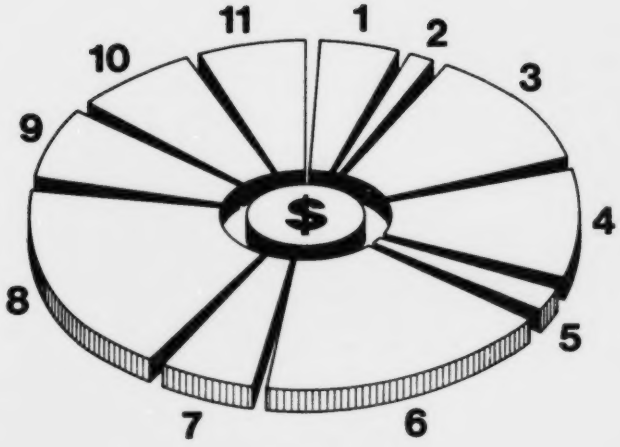
THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

SOURCES OF THE CITY'S 1985 MUNICIPAL REVENUE



1. Taxation	$.58
2. Grants In Lieu Of Taxes	.06
3. Provincial Government Grants	.16
4. Other (Permits, Licenses, Fines, Returns on Investments, etc.)	.19
6. Surplus From Previous Year	.01
	$1.00

HOW IT WAS EXPENDED



1. General Government	$.06
2. Environmental Planning	.02
3. Public Works	.15
4. Parks and Recreation	.10
5. Libraries and Museums	.02
6. Protection	.19
7. Health and Social Services	.06
8. Debt and Finance Costs	.18
9. Employee Benefits	.06
10. Contributions to Operations and Reserves	.08
11. Other including Surplus	.08
	$1.00

The City of Winnipeg
Statement of Allowance for Tax Arrears

For the Year Ended December 31, 1985

		1985	1984
Opening Balance		$37,320,821	$34,569,564
ADD	Transfer from Future Tax Levies Reserve Fund	180,637	2,951,027
		37,501,458	37,520,591
DEDUCT	Taxes Written Off	320,098	199,770
	Retroactive Property Assessment Revisions (Note 19)	606,814	—
		926,912	199,770
Closing Balance		$36,574,546	$37,320,821

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
General Capital Fund
Statement of Source and Application of Funds

For the Year Ended December 31, 1985

	1985	1984
FUNDS WERE DERIVED FROM		
Accounts Receivable, January 1	$ 1,838,516	$ 8,474,006
Temporary Loan from General Revenue Fund	25,807,995	23,404,798
Deferred Credits	1,159,235	631,488
Debenture Issues	40,000,000	40,000,000
Reserves	11,966,627	11,261,336
Amortization of Foreign Exchange	5,513,396	3,750,104
Payment from Sinking Fund Trustees of Foreign Exchange	783,387	—
Contributions and Grants		
Government of Canada	13,906	1,003,081
Province of Manitoba	9,012,525	6,293,125
City	1,571,301	8,500,000
Other	3,434,401	4,557,416
Accounts Payable, December 31	2,611,363	2,876,505
	$103,712,652	$110,751,859
FUNDS WERE EXPENDED FOR		
Payment of Accounts Payable	$ 2,876,505	$ 3,068,809
Purchase of Capital Assets	62,609,399	71,723,096
Construction	5,701,235	3,868,534
Foreign Exchange on Maturities	1,500,769	—
Repayment of Temporary Loan to General Revenue Fund	23,404,798	24,948,599
Payment to Sinking Fund Trustees of Foreign Exchange	6,199,201	5,304,305
Accounts Receivable, December 31	1,420,745	1,838,516
	$103,712,652	$110,751,859

The City of Winnipeg
Capital Expenditures and Amounts Unfinanced

For the Year Ended December 31, 1985

	Capital Expenditures	Amount (Pre-Funded) Unfinanced December 31
General Municipal Purposes		
General Capital Fund		
Local Improvements	$ 5,057,865	$ 6,003,757
Street Improvements	31,537,495	24,013,992
Land Drainage	8,262,346	2,469,291
Disposal Grounds	1,205,986	(379,975)
Parks and Recreation	4,288,409	(875,958)
Protection	1,378,970	1,285,580
Health and Social Development	3,059,852	5,449,610
Civic Accommodations	895,208	261,583
Special Projects		
Core Area	10,737,835	6,542,387
Historic Winnipeg	87,107	(20,107)
Public Works Downtown Development	494,243	2,342,537
North Ellice Development	115,312	39,902
Other	1,190,006	1,840,334
	68,310,634	48,972,933
Equipment Replacement Reserve Fund	3,154,519	—
Equipment Material Services Fund	506,422	—
	71,971,575	48,972,933
Utility Purposes		
Hydro Electric System	5,480,707	9,795,825
Steam Heating System	22,866	188,057
Transit System	14,274,643	10,838,682
Water Works System	715,875	227,291
Watermain Renewal Reserve Fund	8,756,854	—
Sewage Disposal System	3,984,670	3,365,383
	33,235,615	24,415,238
	$105,207,190	$73,388,171

NOTE: Municipal Hospital Capital expenditures are excluded due to the March 31 year end.

Statement of Outstanding Capital Borrowing Authorizations

As at December 31, 1985

By-Law No.	M.B.O. No. or Date of Minister of Finance Approval	General Municipal Purposes			City Owned Utilities					
		General	Local Improvements	Municipal Hospital Commission	Hydro Electric System	Steam Heating System	Transit System	Water Works System	Sewage Disposal System	Total
1534/77 2115/78	F 72/77 F209/78	$ —	$ —	$ —	$ 2,041,060	$ 1,387,500	$ —	$ —	$ —	$ 3,428,560
2198/79	Mar. 21/79	2,600,955	—	—	—	—	—	—	—	2,600,955
2578/80	Mar. 26/80	9,349,173	3,046,947	—	338,700	46,500	550,000	—	—	13,331,320
2860/81 3126/82	Mar. 2/81 Jan. 25/82	6,916,832	178,543	—	1,060,300	50,000	663,800	951,000	545,000	10,365,475
3160/82	Mar. 9/82	7,142,731	1,211,210	—	345,100	—	—	71,680	6,442,000	15,212,721
3392/83	Mar. 9/83	15,966,129	1,588,393	—	3,444,500	—	—	1,164,350	11,244,300	33,407,672
3623/83	Dec. 20/83	590,000	—	—	—	—	—	—	—	590,000
3669/84	Mar. 12/84	20,739,538	1,950,607	1,983,775	4,885,800	—	3,426,600	148,240	11,310,000	44,444,560
3953/85	Mar. 26/85	40,949,801	6,594,430	20,340,000	5,462,500	20,000	3,881,531	199,000	19,060,000	96,507,262
		$104,255,159	$ 14,570,130	$ 22,323,775	$ 17,577,960	$ 1,504,000	$ 8,521,931	$ 2,534,270	$ 48,601,300	$ 219,888,525

Changes in the Outstanding Capital Borrowing Authorizations 1985

Outstanding Capital Borrowing Authorizations at December 31, 1984		$181,117,506
ADD Initial Borrowing By-Law No. 3953/85 Approved by the Minister of Finance March 26,1985		96,507,262
		277,624,768
DEDUCT Debenture Debt Issued During the Year	$50,000,000	
Cancellation of Unused Initial Borrowing Authorities:		
By-Law No. 3880/84 Approved by the Minister of Finance December 31, 1984 and by the Municipal Board Order F12/85 January 21, 1985	4,000,000	
By-Law No. 4118/85 approved by the Minister of Finance November 26, 1985 and by the Municipal Board Order F 207/85 December 19,1985	3,736,243	57,736,243
Outstanding Capital Borrowing Authorizations at December 31, 1985		$219,888,525

NOTES

(1) The City of Winnipeg Act permits the City to borrow money by the issue of debentures where authorization has been granted by the Minister of Finance, or where, before November 1, 1977 authorization had been granted by the Municipal Board.

(2) Capital Borrowing authorizations approved for 1986 to May 31, 1986:
- Initial Borrowing By-Law No. 4128/85 approved by Minister of Finance December 10, 1985 and passed by Council January 15, 1986 $50,000,000 to refinance debenture By-Law No. 2971/81
- Initial borrowing By-Law No. 4193/86 approved by Minister of Finance April 9, 1986 and passed by Council April 9, 1986 $90,674,668
- Initial Borrowing By-Law No. 4241/86 approved by Minister of Finance March 27, 1986 and passed by Council April 9, 1986 $50,000,000 to refinance debenture By-Law No. 3064/81
- Initial Borrowing By-Law No. 4300/86 approved by Minister of Finance May 6, 1986 and passed by Council May 21, 1986 $2,629,800

(3) Debenture Debt issued in 1986 to May 31, 1986 amounted to $73,553,000 which will be deducted from the outstanding authorizations.

(4) The unfunded balance of capital expenditures for general municipal purposes and for City owned utilities totalled $73,388,171 at December 31, 1985.

Reserve Funds

Reserve Funds

GENERAL RESERVE

City Council on May 2, 1973 authorized the establishment of a General Reserve Fund for the purpose of financing various Capital construction. Various by-laws of the former area municipalities establishing general reserves were repealed and the assets of these former reserve funds were transferred to the City of Winnipeg General Reserve. Interest charges on capital financing and investment income contribute to the growth of the reserve. The City Treasurer is the Fund Manager.

FUTURE TAX LEVIES RESERVE

City Council on May 16, 1973 authorized the establishment of a Future Tax Levies Reserve Fund to counteract the budgetary effect of fluctuations from year to year in the increased assessments due to the completion of major building construction projects by the private sector and of fully providing for uncollected taxes.

Disbursements from this reserve are limited to the annual budgetary provision for additions to the Tax Roll and any amount required to maintain the Allowance for Tax Arrears at 100% of uncollected taxes.

This reserve is maintained by the actual additions to the Tax Roll in each year and by contributions from the Sinking Fund Trustees of the City of Winnipeg in accordance with Section 338 of the City of Winnipeg Act. The City Treasurer is the Fund Manager.

EQUIPMENT REPLACEMENT RESERVE

City Council on May 2, 1973 authorized the establishment of an Equipment Replacement Reserve Fund to provide for the systematic replacement of equipment and to stabilize the effect on the annual budget. Various by-laws of the former area municipalities establishing equipment replacement reserves were repealed and the assets of these former reserve funds were transferred to the City of Winnipeg Equipment Replacement Reserve.

Disbursements from this reserve are limited to equipment replacement costs as approved in the Capital Budget.

This reserve is maintained by an annual provision for replacement, investment income and the proceeds from the sale of used equipment. The Director of Operations is the Fund Manager.

SEVERANCE SICK LEAVE RESERVE

City Council on May 16, 1973 authorized the establishment of a Severance Sick Leave Reserve Fund to counteract the possible adverse budgetary effect of a great number of employees retiring from service in any one year.

Disbursements from this reserve are limited to the sick leave cash-out payments made to Civic employees in accordance with the provisions of Working Agreements and any by-laws or resolutions of Council.

This reserve is maintained by an annual budgetary provision, subject to the approval of Council and interest earned. The City Treasurer is the Fund Manager.

LAND OPERATING RESERVE

City Council on May 16, 1973 authorized the establishment of a Land Operating Reserve Fund to reduce the need for the issuance and sale of debentures in connection with the cost of acquisition of properties for resale.

Disbursements from this reserve are limited to the cost of acquisition of properties for resale, and any other expenses directly related to the acquisition, sale and improvement of disposable city properties.

This reserve is maintained by proceeds from the sale of City owned properties and interest earned. The Director of Land Surveys and Real Estate is the Fund Manager.

CONTRIBUTIONS IN LIEU OF LAND DEDICATION RESERVE

City Council on January 10, 1973 adopted a policy that cash payments received by the City in lieu of land dedications for open space be deposited in a fund to the credit of each community. On January 17, 1979, Council amended the policy to also permit cash payments received from the sale of surplus Parks and Recreation lands to be deposited to the credit of each community. Disbursements from this reserve are limited to costs of acquiring or improving lands for parks, recreational facilities or open space within that community. The City Treasurer is the Fund Manager.

RECREATION PROGRAMMING RESERVE

City Council on October 6, 1976, approved the creation of a Reserve Fund for recreation programming at the community level. This Reserve to be established from cumulative surpluses or deficits of former Parks and Recreation Boards and Commissions as at December 31st, 1976, and to include any unexpended balances as identified in the approved recreation programming portions of the 1976 budgets and subsequent years. Council further resolved that such reserve funds be retained under the jurisdiction of the Community Committee concerned. The General Manager of Parks and Recreation and the City Treasurer are managers of this fund.

WATERMAIN RENEWAL RESERVE

City Council on February 18, 1981 authorized the establishment of a Watermain Renewal Reserve Fund for the purpose of financing, from one source, the renewal of watermains.

Disbursements from the reserve are limited to financing the construction of watermain renewals as approved in the Capital Budget.

The reserve was established in 1981 by the transfer of $2,000,000.00 from frontage levy revenue and will be maintained by the transfer of 100% of frontage levy revenue and interest earned. The Director of Waterworks, Waste and Disposal is the Fund Manager.

ZOO ANIMALS RESERVE

City Council on September 15, 1982 authorized the establishment of a Reserve Fund to provide for the replacement and improvement of animal stock in the Assiniboine Park Zoo.

Disbursements from this reserve are limited to the acquisition, including all other directly related costs, of any Zoo animals required.

The reserve is to be maintained by proceeds from the sale of surplus Zoo animals and interest earned. The General Manager of Parks and Recreation is the Fund Manager.

ZOO PURPOSES RESERVE

City Council on December 14, 1983 authorized the establishment of a Reserve Fund to which revenues derived from Donation Boxes, Animal Feeding Dispensers and the Animal Adoption Program would be credited to augment the Zoo's operating and capital budgets.

The Board of Commissioners and the General Manager of Parks and Recreation are the Fund Managers.

WORKERS COMPENSATION RESERVE

Under the terms of By-law No. 9802 of the former City of Winnipeg provision was made for the establishment of a Workers Compensation Reserve Fund, the administration of which was vested with the Sinking Fund Trustees. On January 1st, 1972, as a result of amalgamation of municipal governments in the Greater Winnipeg area the Workers Compensation Provision Account of the former Metropolitan Corporation of Greater Winnipeg was transferred to the City of Winnipeg Workers Compensation Reserve Fund. There were no other municipalities, prior to unification, having such a reserve.

Since Section 349(1) of The City of Winnipeg Act permits City Council to provide for the establishment and maintenance of reserve funds without the passing of by-laws, all former City of Winnipeg by-laws establishing the Workers Compensation Reserve Fund have been repealed allowing for the establishment and maintenance of the Workers Compensation Reserve in accordance with Section 349 of The City of Winnipeg Act. The Sinking Fund Trustees will continue to manage the Fund.

The purpose of this Reserve is to enable the City to operate the Workers Compensation program on a self-insured basis. In lieu of paying premiums to the Workers Compensation Board, the City pays actual costs plus an administration charge. This cost is recovered from Civic departments by assessing premiums based on a percentage of gross payroll and the net result is transferred annually to the Reserve Fund. Prior to 1966 the premium was based on Workers Compensation Board rates. In addition to providing the required mechanism for self-insurance, the Reserve serves as a hedge against a work-related incident of extraordinary dimensions. The City Treasurer is the fund manager.

PARKS RESERVE

By-Law No. 14725 of the former City of Winnipeg, passed on April 8, 1935, created a fund for the perpetual care and maintenance of Brookside Cemetery, the fund to be built up by annual payments to the Sinking Fund Trustees of The City of Winnipeg during the years 1935 to 1959 amounting to 5% of the proceeds from the sale of plots and graves during the preceding year. By-Law No. 18290, passed on September 21, 1959, extended the annual payment period to 1984 and increased the amount payable each year to the fund to 25% of the proceeds from the sale of plots and graves during the preceding year. By-Law 1996/78 passed on June 14, 1978, further extended the annual payment period to the year 2004.

By-Law No. 1996/78 also created funds for the perpetual care and maintenance of St. Vital and Transcona Cemeteries to be built up by annual payments to the Sinking Fund Trustees of The City of Winnipeg during the years 1979 to 2004 (St. Vital Cemetery) and 1979 to 2029 (Transcona Cemetery) amounting to 25% of the proceeds from the sale of plots and graves during the preceding year.

The Sinking Fund Trustees are also empowered to accept deposits in respect of perpetual maintenance of individual cemetery plots but no such deposits have been accepted since 1951.

Administration of the Fund so created is vested by the respective By-laws, in the Sinking Fund Trustees. The City Treasurer is the fund manager.

INSURANCE RESERVE

City Council of the former City of Winnipeg, on September 19, 1960, authorized the establishment of an Insurance Reserve Fund to be used, at the discretion of Council, for the purpose of replacing or repairing any building or the contents thereof or any other public works or utility belonging to the City of Winnipeg that had been damaged by fire, or any other cause. On July 4, 1973 City Council authorized the use of the Insurance Reserve for the purpose of paying for any other losses that the City may incur in any part of its self insurance program, which would encompass third party liability claims, or property damage claims, including motor vehicles. Council order dated July 4, 1973 also authorized the transfer to the Sinking Fund Trustees of the insurance contingency funds of the former Metropolitan Corporation of Greater Winnipeg. Investment and administration of the fund has been vested with the Sinking Fund Trustees. The City Treasurer is the fund manager.

RESERVE FUND ASSETS AS AT DECEMBER 31

	1985	1984
General Reserve	$ 58,574,363	$52,301,096
Future Tax Levies Reserve	87,129	3,985,614
Equipment Replacement Reserve	8,757,411	6,106,200
Severance Sick Leave Reserve	3,954,871	5,059,836
Land Operating Reserve	19,547,409	20,067,969
Contributions in Lieu of Land Dedication Reserve	2,126,769	1,303,576
Recreation Programming Reserve	582,071	690,471
Watermain Renewal Reserve	1,268,654	1,581,865
Zoo Animals Reserve	192,905	172,716
Zoo Purposes Reserve	61,763	31,109
* The Workers Compensation Reserve	784,737	632,193
* Parks Reserve	1,982,070	1,721,614
* Insurance Reserve	3,812,308	4,013,653
	$101,732,460	$97,667,912

* The Assets of these Reserve Funds are being administered by the Sinking Fund Trustees of the City of Winnipeg.

The City of Winnipeg
General Reserve Fund Balance Sheet

As at December 31, 1985

Assets

	1985	1984
DUE FROM GENERAL REVENUE FUND	$ 154,602	$ 125,407
LONG TERM INVESTMENTS, at par	3,266,000	3,706,000
DUE FROM GENERAL CAPITAL FUND	49,603,179	42,863,958
DUE FROM WATERWORKS SYSTEM	1,999,616	1,929,752
DUE FROM SEWAGE DISPOSAL SYSTEM	1,577,103	1,670,504
DUE FROM MUNICIPAL HOSPITALS	1,973,863	2,005,475
	$58,574,363	$52,301,096

Liabilities

GENERAL RESERVE ACCOUNT		
Allocated	$58,419,761	$52,175,689
Unallocated	154,602	125,407
	$58,574,363	$52,301,096

General Reserve Account

For the Year Ended December 31, 1985

Allocated

	1985	1984
Opening Balance	$52,175,689	$46,363,545
ADD		
Capital Construction Financed	10,800,000	10,200,000
	62,975,689	56,563,545
DEDUCT		
Principal Retirals	4,115,928	4,000,856
Maturity of Long Term Investments	440,000	387,000
Closing Balance	$58,419,761	$52,175,689

Unallocated

Opening Balance	$ 125,407	$ 252,308
ADD		
Interest Earned	510,631	576,423
Maturity of Long Term Investments	440,000	387,000
Interest on Capital Financing	5,762,659	5,108,820
Principal Retirals	4,115,905	4,000,856
	10,954,602	10,325,407
DEDUCT		
Capital Construction Financed	10,800,000	10,200,000
Closing Balance	$ 154,602	125,407

Statement of Outstanding Commitments

Council Authorizations	Local Improvements	General Municipal	Total
March 27, 1985 — Balance of 1985 Program	$ 6,800,000	$ 500,000	$ 7,300,000

Note: On February 26th, 1986, City Council approved the 1986 capital program. A total of $11,000,000 of which is to be funded by the General Reserve.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Future Tax Levies Reserve Fund Balance Sheet

As at December 31, 1985

Assets

	1985	1984
DUE FROM GENERAL REVENUE FUND	$ 87,129	$ 3,985,614

Liabilities

FUTURE TAX LEVIES RESERVE ACCOUNT	$ 87,129	$ 3,985,614

Future Tax Levies Reserve Account

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$3,985,614	$ 4,036,108
ADD		
Net Taxes Added During the Year and Adjustments (Note 14)	2,961,865	3,476,962
Interest Earned	368,287	495,571
	7,315,766	8,008,641
DEDUCT		
Transfer to General Revenue Fund (Note 19)	7,048,000	1,072,000
Transfer to Allowance for Tax Arrears (Note 9(c))	180,637	2,951,027
	7,228,637	4,023,027
Closing Balance	$ 87,129	$ 3,985,614

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Equipment Replacement Reserve Fund Balance Sheet

As at December 31, 1985

Assets

	1985	1984
DUE FROM GENERAL REVENUE FUND	$8,757,411	$6,106,200

Liabilities

EQUIPMENT REPLACEMENT RESERVE ACCOUNT		
Allocated	$4,558,158	$3,427,475
Unallocated	4,199,253	2,678,725
	$8,757,411	$6,106,200

Equipment Replacement Reserve Account

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$6,106,200	$5,012,964
ADD		
Provision for Replacement for the Year	4,919,610	4,670,573
Interest Earned	591,576	505,155
Sale of Equipment	294,544	348,612
	11,911,930	10,537,304
DEDUCT		
Purchase of Equipment (Note 1(E))	3,154,519	4,431,104
Closing Balance	$ 8,757,411	$ 6,106,200

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Severance Sick Leave Reserve Fund Balance Sheet

As at December 31, 1985

Assets

	1985	1984
DUE FROM GENERAL REVENUE FUND	$ 688.871	$1.353.836
LONG TERM INVESTMENTS, at par	3.266.000	3.706.000
	$3.954.871	$5.059.836

Liabilities

SEVERANCE SICK LEAVE RESERVE ACCOUNT (Note 10(c))	$3.954.871	$5.059.836

Severance Sick Leave Reserve Account

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$5.059.836	$5.817.806
ADD		
Contribution From General Revenue Fund	962.000	720.000
Interest Earned	544.185	649.164
	6.566.021	7.186.970
DEDUCT		
Benefit Payments	3.697.214	2.899.103
Less Utilities, Municipal Hospitals and other	1.086.064	771.969
	2.611.150	2.127.134
Closing Balance	$3.954.871	$5.059.836

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Land Operating Reserve Fund Balance Sheet

As at December 31, 1985

Assets

	1985	1984
DUE FROM GENERAL REVENUE FUND	$ 4.938.347	$ 6.730.303
ACCOUNTS RECEIVABLE	844.099	169.881
Less Allowances (Note 1(H))	842.677	169.881
	1.422	NIL
LONG TERM INVESTMENTS, at par	1.960.000	2.224.000
DUE FROM GENERAL CAPITAL FUND (Note 2(b))	2.753.002	2.502.930
DEFERRED CHARGES	1.678	2.752
PROPERTY AND IMPROVEMENTS (Note 12(b))	9.892.960	8.936.203
	$19.547.409	$20.396.188

Liabilities

ACCOUNTS PAYABLE	$ 560	$ —
DEFERRED REVENUE	1.697.462	328.219
LAND SALES DEPOSITS	12.019	21.211
	1.710.041	349.430
LAND OPERATING RESERVE ACCOUNT		
Unallocated - Available for Future Financing	3.131.509	5.866.447
Allocated		
Current Projects	98.219	514.425
Capital Construction Financed	4.713.002	4.726.930
Equity in Land	9.894.638	8.938.956
	17.837.368	20.046.758
	$19.547.409	$20.396.188

Land Operating Reserve Account

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$20.046.758	$18.772.521
ADD		
Land Sales (Note 12(c))	4.011.573	1.826.560
Interest Earned	1.117.781	976.888
Interest on Capital Financing	363.760	371.945
Prior Period Adjustments	13.925	—
Miscellaneous Revenue	1.496	—
	25.555.293	21.947.914
DEDUCT		
Refund of Land Sales	—	29.900
Cost of Land Sold	358.144	451.752
Servicing and Sales Expense	13.380	69.952
Miscellaneous Expenses	663	719
Transfer to General Revenue Fund (Note 19)	6.265.000	1.348.833
Transfer to Land Dedication Fund	612.920	—
Transfer to General Capital Fund	467.818	—
	7.717.925	1.901.156
Closing Balance	$17.837.368	$20.046.758

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Contributions in Lieu of Land Dedication Reserve Fund
Balance Sheet

As at December 31, 1985

Assets

	1985	1984
DUE FROM GENERAL REVENUE FUND	$2,126,769	$1,303,576

Liabilities

CONTRIBUTIONS IN LIEU OF LAND DEDICATION RESERVE ACCOUNT	$2,126,769	$1,303,576

Contributions in Lieu of Land Dedication Reserve Account

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$1,303,576	$1,205,128
ADD		
Proceeds from Sale of Dedicated Land	612,920	36,000
Cash Payments in Lieu of Land Dedication	731,238	916,493
Interest Earned	136,529	113,303
	2,784,263	2,270,924
DEDUCT		
Park Land and Improvements	657,494	967,348
Closing Balance	$2,126,769	$1,303,576

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Recreation Programming Reserve Fund
Balance Sheet

As at December 31, 1985

Assets

	1985	1984
DUE FROM GENERAL REVENUE FUND	$582,071	$690,471

Liabilities

RECREATION PROGRAMMING RESERVE ACCOUNT		
Allocated	$161,157	$149,296
Unallocated	420,914	541,175
	$582,071	$690,471

Recreation Programming Reserve Account

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$690,471	$829,516
ADD		
Interest Earned	46,177	59,974
Unexpended Balances of Approved Recreation Programming Current Budgets	72,699	112,304
	809,347	1,001,794
DEDUCT		
Disbursements	227,276	311,323
Closing Balance	$582,071	$690,471

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Watermain Renewal Reserve Fund
Balance Sheet
As at December 31, 1985

Assets

	1985	1984
DUE FROM GENERAL REVENUE FUND	$1.268.654	$1.581.865

Liabilities

ACCOUNTS PAYABLE	$ 317.737	$ 105.165
WATERMAIN RENEWAL RESERVE ACCOUNT — Allocated	749.651	681.854
— Unallocated	201.266	794.846
	950.917	1.476.700
	$1.268.654	$1.581.865

Watermain Renewal Reserve Account

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$1.476.700	$1.988.731
ADD		
Frontage Levies Transferred from Water Works System Fund	8.122.497	6.145.887
Prior Years Adjustment	—	12.135
Interest Earned	113.530	163.538
	9.712.727	8.310.291
DEDUCT		
Watermain Renewals Constructed	8.756.854	6.833.591
Builders Lien Act Interest	4.956	—
	8.761.810	6.833.591
Closing Balance	$ 950.917	$1.476.700

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Zoo Animals Reserve Fund
Balance Sheet
As at December 31, 1985

Assets

	1985	1984
DUE FROM GENERAL REVENUE FUND	$ 192,905	$ 172,716

Liabilities

ACCOUNTS PAYABLE	$ 781	$ —
ZOO ANIMALS RESERVE ACCOUNT	192,124	172,716
	$ 192,905	$ 172,716

Zoo Animals Reserve Account
For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$ 172,716	$ 118,384
ADD		
Animal Sales	66,026	69,993
Interest Earned	14,420	12,402
	253,162	200,779
DEDUCT		
Disbursements	61,038	28,063
Closing Balance	$ 192,124	$ 172,716

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Zoo Purposes Reserve Fund
Balance Sheet
As at December 31, 1985

Assets

	1985	1984
DUE FROM GENERAL REVENUE FUND	$ 61,763	$ 31,109

Liabilities

ZOO PURPOSES RESERVE ACCOUNT	$ 61,763	$ 31,109

Zoo Purposes Reserve Account
For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$ 31,109	$ —
ADD		
Donation Boxes Revenue	13,441	6,400
Feeding Dispenser Revenue	5,680	4,544
Adoption Program Revenue	14,105	18,839
Colouring Books	2,720	—
	67,055	29,783
INTEREST EARNED	3,499	1,326
	70,554	31,109
DEDUCT		
Disbursements	8,791	—
	$ 61,763	$ 31,109

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
General Capital Fund, General Revenue Fund and Reserve Funds
Notes to the Financial Statements

December 31, 1985

1. **Significant Accounting Policies**

A. FOREIGN EXCHANGE ON DEBENTURE DEBT—General Capital Fund

Unrealized exchange losses relating to the translation of long term foreign currency bond issues at the exchange rates prevailing at the balance sheet date, are fully provided for in the Long Term Debt section. (See Note 6(b))

B. TAX ARREARS AND ALLOWANCE FOR TAX ARREARS—General Revenue Fund

The allowance for Tax Arrears is not an allowance to bring the value of the taxes receivable to their estimated realizable value. It is an account which converts Tax Revenue to a cash basis.

C. ALLOWANCE FOR ACCOUNTS RECEIVABLE—General Revenue Fund

Includes an allowance of $262,620 to bring the value of Accounts Receivable to their estimated realizable value and an allowance in the amount of $1,258,630 to convert certain revenue to a cash basis.

D. ACCOUNTS PAYABLE—General Revenue Fund

Commitments arising from purchase orders for goods and services which were not received during the year, are set up as accounts payable. (See Note 11)

E. FIXED ASSETS—General Capital, Revenue and Equipment Replacement Reserve Funds

Fixed assets of the General Capital Fund are valued at the amount of existing liabilities. In addition to assets which are capitalized, certain assets are treated as expenditures in the Revenue Fund and vehicles and associated equipment are treated as expenditures in the Equipment Replacement Reserve Fund.

F. MATERIALS AND SUPPLIES

Inventories are valued at specific cost, first in first out, last in first out and estimated cost.

G. GROSS ACCOUNTING CONCEPT

All revenues received and expenditures paid by the city with minor exceptions are reported at their gross amount in the accounting records.

H. ALLOWANCE FOR AGREEMENTS FOR LAND SALES—Land Operating Reserve Fund

This is not an allowance to bring the value of Agreements for Land Sales to their estimated realizable value. It is an allowance to convert land sales revenue to a cash basis.

I. ACCRUAL BASIS OF ACCOUNTING—General Capital, Revenue and Reserve Funds

As noted in notes 1B, C and H, a cash basis of accounting is used for these revenues. A cash basis is also used for other revenues where accruals are not practical, such as licenses and police court fines. Interest revenue and expense are accrued for all external investments and debt (see note 5d) but no accruals are reflected for long-term intra-fund liabilities to the General Reserve Fund. All other items of revenue and expenditure are accounted for on an accrual basis.

J. OVERHEAD ON CAPITAL PROJECTS

Administration (to a maximum charge of $100,000 on any individual project) and interest are added on capital contract work and capitalized in the General Capital Fund. From time to time Council has waived this policy.

2 **Property, Plant and Equipment - General Capital Fund**

a) Financed from General Reserve Fund — This asset is the cost of Local Improvements and other capital assets which have been financed from various reserve funds or Nominal Surplus during prior years or which were financed from the General Reserve Fund since January 1, 1972. This asset has been set up in the accounts to record the principal amount which is receivable from the General Revenue Fund and the ratepayers in the future, during the term of the various levying by-laws, with the offsetting liability shown as "Due to General Reserve Fund".

b) Financed from Land Operating Reserve Fund — This asset is the cost of Local Improvements which have been financed from the Land Operating Reserve Fund to improve City owned unserviced land for re-sale. This asset has been set up in the accounts to record the principal amount which is receivable from the General Revenue Fund and the ratepayers in the future, during the term of the various levying by-laws, with the offsetting liability shown as "Due to Land Operating Reserve Fund".

3 **Joint Use Facilities**—General Capital Fund

This asset represents the City's share of developing recreational and other facilities with School Boards.

4. **Funds on Deposit with Sinking Fund Trustees—For the City of Winnipeg**—General Capital Fund

a) The Sinking Fund Trustees of The City of Winnipeg is a separate corporate entity incorporated under the provisions of The City of Winnipeg Act.

b) Included in this asset are deposits for foreign exchange requirements of $22,308,254.

5. **Debenture Debt**—General Capital and Utility Funds

a) All sinking fund debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4½%, with the exception of the following:

i) By-law 1586/77 — In 1977 the City of Winnipeg under By-law 1586/77 issued 10-year sinking fund debentures. The 3% levy provision as permitted under Section 304(1) of the City of Winnipeg Act would result in a sinking fund deficiency at maturity. To ensure that sufficient funds are available to retire the bonds on the due date, additional monies at present are being appropriated annually from the General Revenue Fund and/or Sinking Fund surplus to meet the annual requirement for full sinking fund provision. In 1985, the entire additional requirement of $1,485,137 was realized as a contribution from the Sinking Fund Trustees.

ii) By-law 2622/80 — In 1980 the City of Winnipeg under By-law 2622/80 issued 8-year sinking fund debentures, extendible for an additional 8 years. The 5% levy provision as permitted under Section 304(1) of the City of Winnipeg Act will result in a sinking fund deficiency requiring refinancing if the debentures are redeemed at the end of 8 years. If the issue remains outstanding until 1996, a sinking fund sufficient to fully retire the issue will be available.

iii) The following table sets out those By-laws which, as a result of the levies being provided and the terms of the issues, will result in sinking fund deficiencies requiring these issues to be refinanced at maturity.

By-law	Year of Issue	Term of Issue	Levy
2971/81	1981	7 Years	3%
3064/81	1981	5 Years	3%
3807/84	1984	7 Years	3%
4025/85	1985	5 Years	3%

b) All debentures are general obligations of the City. Debenture debt is allocated to the General Capital and Utilities Funds in the amounts shown in the issuing by-law.

c) At maturity the debenture debt is payable in the following currencies:

	General Capital Including Schools	Utilities	Total
In Canadian Dollars	$203,153,407	$119,386,726	$322,540,133
In United States Dollars	172,633,333	71,900,000	244,533,333
	$375,786,740	$191,286,726	$567,073,466

d) Includes debt in the amount of $ 851,000 issued on behalf of the Winnipeg School Division No. 1 by the former City of Winnipeg. The School Division issued its debentures to the City of Winnipeg as collateral for the City of Winnipeg debentures issued on its behalf. All interest and principal requirements are recovered from the School Division who in turn recover these costs from the Provincial Government. The City does not accrue interest on School Division debt.

e) City of Winnipeg debentures are held as investments in various funds as follows:

General Revenue Fund	$ 475,255 par value
Reserve Funds administered by the City Treasurer	$ 8,492,000 par value
Reserve Funds administered by the Sinking Fund Trustees of The City of Winnipeg	$ 2,215,000 par value
Pension Funds	$16,728,000 par value
Sinking Fund Administered by the Sinking Fund Trustees of The City of Winnipeg	$71,605,485 par value

6. **Provision for Foreign Exchange at Maturity**—General Capital, Revenue and Utility Funds

a) Sufficient funds are on deposit with the Sinking Fund Trustees for sinking fund debenture issues payable in foreign currencies to maintain the actuarial requirements in Canadian dollars at the equivalent of the foreign currencies at the exchange rates prevailing at the balance sheet date.

General Capital Fund	$22,308,254
Hydro Electric System	3,142,088
Transit System	2,130,685
Water Works System	3,742,126
Sewage Disposal System	3,115,728
	$34,438,881

b) Debenture debt payable in foreign currencies amounted to $244,533,333 as at December 31, 1985. The foreign exchange on this liability at the exchange rates prevailing at balanced sheet date totalled $97,397,627. To date $55,751,763 has been accumulated towards this contingency at maturity through the retention of exchange premiums realized on foreign currency debenture issues, contributions from sinking fund surpluses and charges to current operations. The City has adopted a policy of including foreign exchange on Sinking Fund holdings of U.S. securities to reduce the amount to be amortized. The exchange attributed to these investments totaled $4,280,928. The foreign exchange deficiency of $37,364,936 (an amount which will be recalculated annually as the requirement for such purpose may from year to year vary) has been set up as deferred charges to be amortized over the remaining life of the related debenture issues by annual charges to appropriations and/or operations.

	Debenture Debt Payable in Foreign Currencies	Foreign Exchange Liability	Provision for Foreign Exchange		
			Accumulated Provision to Date	Foreign Exchange On Sinking Fund held Investments	Deferred to Future Periods
General Capital Fund	$172,633,333	$68,759,857	$39,248,901	$2,823,918	$26,687,038
Hydro Electric System	15,600,000	6,213,480	2,211,353	738,258	3,263,869
Transit System	8,500,000	3,385,550	1,998,322	266,861	1,120,367
Water Works System	23,400,000	9,320,220	5,208,545	344,740	3,766,935
Sewage Disposal System	24,400,000	9,718,520	7,084,642	107,151	2,526,727
	$244,533,333	$97,397,627	$55,751,763	$4,280,928	$37,364,936

7. **Deferred Liabilities**—General Capital Fund

Under the terms of certain development agreements, the City is required to pay the developer local improvement taxes to be collected in future years, in payment for improvements made which benefit property not included in the development agreement.

8. **Sinking Fund Reserve**—General Capital and Utility Funds

The Sinking Fund Trustees have allocated $16,828,171 of their surplus to the City to be distributed as follows:

$ 6,647,988	toward foreign exchange costs — 1985 Budget
2,180,183	toward full sinking fund provision of debenture by-law 1586/77 — 1986 Budget
6,000,000	toward foreign exchange costs — 1986 Budget
2,000,000	toward levy commutations — 1986 Budget
$16,828,171	

9. **Tax Arrears and Allowance for Tax Arrears**—General Revenue and Future Tax Levies Reserve Funds

a) In 1972 City Council adopted a policy of purchasing all tax sale certificates which may subsequently be redeemed by the original owner within one year or assigned by the City to anyone demonstrating a legal interest, failing which the City will acquire title.

b) Tax Arrears does not include arrears for property for which the City has acquired title through tax sale procedures. Tax titles are transferred to Land Operating Reserve Fund in the year in which title is acquired and in 1985 this amounted to $354,457. If the property is sold in a subsequent year, the sale is recorded in the Land Operating Reserve Fund at that time.

c) In accordance with a policy established by the former City of Winnipeg and approved by Council on May 16, 1973, uncollected taxes are fully provided for, thus converting tax revenue to a cash basis. At December 31, 1985 an allocation of $180,637 from the Reserve for Future Tax Levies was credited to Allowance for Tax Arrears so that the latter would equal uncollected taxes and penalties at year end after giving effect to write-offs amounting to $926,911.

10. **Contingent Liabilities** — General Capital, Revenue and Severance Sick Leave Reserve Funds

a) There is a contingent liability to the City which has unconditionally guaranteed the payment of principal and interest on the following debentures:

1972		
Winnipeg Enterprises Corporation 8½% Sinking Fund Due 1992		$ 1,500,000
1978		
Winnipeg Enterprises Corporation 9% 6 - 10 year Serial 1984 - 1988	421,000	
Winnipeg Enterprises Corporation 9¼% 11 - 15 year Serial 1989 - 1993	995,000	
Winnipeg Enterprises Corporation 9½% 16 - 20 year Serial 1994 - 1998	1,539,000	2,955,000
1979		
Winnipeg Enterprises Corporation 10¼% Serial 1979 - 1987		1,146,000
1981		
Winnipeg Enterprises Corporation 14% Serial 1981 - 1991		1,305,000
		$6,906,000

The debentures of the Winnipeg Enterprises Corporation are held as investments by the Sinking Fund Trustees of The City of Winnipeg. There is an actuarial Sinking Fund Reserve of $840,618 accumulated at December 31, 1985 for the redemption of the sinking fund debentures.

b) Under the terms of an agreement with the Province of Manitoba for the financing of the tunnel connecting the Centennial Centre with the Civic Centre complex, there is a liability to the Province in the amount of $110,146 being the outstanding balance of the Province's share of the amortization of the capital cost of the tunnel. This amount will be recovered from night parking revenue earned in the Civic Centre Parkade.

c) Under the sick pay credit plans for certain employees of the city, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). In order to counteract the budgetary effect of an unusually high cost in any one year, The Severance Sick Leave Reserve Fund was established by Council in 1972.

d) The City is defendant in four significant lawsuits as at December 31, 1985. At this time ultimate liability is not determinable. Normal contingent liabilities exist consisting of routine claims for street and sidewalk accidents, property damage, etc.

e) No provision has been made in the accounts for commitments arising from property expropriations.

11. **Commitments included in Accounts Payable** — General Revenue Fund

For purposes of financial control, the City's accounts are encumbered at the year end with purchase orders for goods and services which were not received amounting to $3,208,882 in 1985. The effect of this policy is to provide for these expenditures in the current year when they would otherwise be a charge against future operations.

12. **Land Assets**—General Capital and Land Operating Reserve Funds

a) General Capital Fund—Land purchases which are financed through the Capital Fund are amortized by repayment of the debt.

b) Land Operating Reserve Fund—Land purchases including land acquired in tax sale and the cost of local improvements on these disposable city properties have been recorded as assets at cost.

c) Land sales includes revenue from sale of land not included in Property and Improvements inventory.

d) As at December 31, 1985 the City of Winnipeg owned approximately 13,877 acres of land within its boundaries, excluding land legally designated for transportation purposes, having a total assessed value of $43,403,220 for land and $58,443,697 for buildings.

13. **Realty Tax** — General Revenue Fund

The Realty Tax Roll initial billing for the year produced $400,987,744 in revenue. The amount of $400,947,726 which was equal to the amount budgeted for this item was taken into revenue. The difference of $40,018 was transferred to the Future Tax Levies Reserve Fund.

14. **Realty Taxes Added** — General Revenue and Future Tax Levies Reserve Funds

Realty Taxes Added and other adjustments for the year mainly as a result of new construction amounted to $2,961,865. This amount was credited to the Future Tax Levies Reserve Fund. The budgeted amount of $2,048,000 was taken into income. This conforms to the policy approved by City Council.

15. **Licenses in Lieu of Taxes** — General Revenue Fund

a) Realty Tax - mobile homes are not assessed on the tax roll but are taxed by way of license in accordance with standardized rates.

b) Business Tax - businesses that are not assessed on the tax roll are taxed at prevailing rates by way of license.

16. **Amortization of Pension Fund Deficits**

In recent years actuarial valuations have identified unfunded liabilities in various existing plans. The most recent complete valuation was as at December 31, 1982. Except for items 10 and 11, these liabilities were re-assessed at December 31, 1983. City Council has adopted a policy of amortizing unfunded liabilities in accordance with the Pension Benefit Act of the Province as follows:

Pension Fund	Liability Dec. 31, 1985	Annual Payment	Term
1. Employee Benefits	$43,412,098	$4,999,521	to 2000
2. Employee Benefits — Firefighters	5,875,399	754,000	to 2000
3. Police	460,410	188,000	to 1988
4. Police	853,147	126,000	to 1996
5. Civic	6,366,461	760,000	to 2001
6. Civic - Firefighters	123,037	15,824	to 2000
7. Civic	1,836,932	750,000	to 1988
8. Transcona	1,174,490	151,000	to 2000
9. St. James	278,889	114,000	to 1988
10. St. Boniface	444,973	63,800	to 1995
11. Council Members	44,643	6,281	to 1994

All liabilities listed are charged to the General Revenue Fund except for items 1 and 7 which have been apportioned in part to the City's utilities and other operating funds as follows:

	1. Employee Benefits		7. Civic	
	Liability	Annual Payment	Liability	Annual Payment
General Revenue	$21,397,823	$2,464,264	$1,422,337	$580,800
Hydro Electric System	3,262,959	407,106	123,610	50,550
Steam Heating System	535,600	30,352	9,200	3,750
Transit System	11,773,361	1,355,870	—	—
Water Works System	2,383,324	274,474	92,214	37,275
Sewage Disposal System	729,323	83,992	27,554	11,325
Equipment and Material Services	1,102,667	126,988	43,719	17,925
Municipal Hospitals	2,227,041	256,475	118,298	48,375
	$43,412,098	$4,999,521	$1,836,932	$750,000

17 **Interest on Reserve Funds**

Interest is credited to the following reserve funds: General Reserve Fund, Future Tax Levies Reserve Fund, Equipment Replacement Reserve Fund, Severance Sick Leave Reserve Fund, Land Operating Reserve Fund, Contributions in Lieu of Land Dedication Reserve Fund, Recreation Programming Reserve Fund, Watermain Renewal Reserve Fund, Zoo Animals Reserve Fund and Zoo Purposes Reserve Fund.

The Workers Compensation Reserve Fund, Parks Reserve Fund and Insurance Reserve Fund are administered by the Sinking Fund Trustees. Interest earned on these reserve funds is from investments of each individual fund.

18 **Provincial Government Grants** — General Revenue Fund

The Provincial Government provided a grant of $14,495,183 toward the 1985 Transit System deficit and this amount was transferred as part of the Appropriation to Transit System.

19 **Retroactive Property Assessment Revisions**

In 1985 the Municipal Board of Manitoba, reacting to a Supreme Court of Canada ruling on existing Provincial legislation governing property assessment appeals, granted retroactive assessment reductions for appeals previously denied. Total cost including interest was $9.1 million with $8.5 million charged to General Revenue Fund and $.6 million to Allowance for Tax Arrears. There are no appeals of this nature pending.

To counteract the budgetary effect of this extraordinary expense, funds were transferred to the General Revenue Fund from two major Reserves: $5 million from the Future Tax Levies Reserve Fund and $4.8 million from the Land Operating Reserve Fund authorized in accordance with clause 349(3.1)(a) of The City of Winnipeg Act.

20 **Changes in Accounting Treatment**

The following changes in accounting treatment were instituted in 1985:

a) General Revenue Fund - Statement of Revenue and Expenditure - In 1985 the allocation of General Government costs is reported as an element of revenue. The 1984 figures for revenue (sales of goods and services) and expenditures (General Government) have been increased by $4,418,215 for comparative purposes.

b) The method of amortization of foreign exchange has been changed to (1) include the year of maturity and (2) to reduce the amount to be amortized by the foreign exchange on Sinking Fund holdings of U.S. securities. The effect of these changes has been to reduce the charge to the General Revenue Fund in 1985 by $2,649,121. (See Note 6(b)).

c) The format and classification of the financial statements have been changed for 1985. The 1984 figures have been restated for comparative purposes.

The City of Winnipeg
Workers Compensation Reserve Fund
Balance Sheet

As at December 31, 1985

Assets

INVESTMENT IN BONDS AND DEBENTURES (Note)

1985 Par Value		1985	1984
$ 50,000	Provincial	$ 50,000	$ 70,000
25,000	Provincial guaranteed	23,937	23,937
495,000	City of Winnipeg	487,106	499,107
$ 570,000	Total investment in bonds and debentures	561,043	593,044
	Accrued Interest	7,275	7,514
	Cash	1,213	24,641
	City of Winnipeg - Surplus from Operations	215,206	6,994
	TOTAL	$ 784,737	$ 632,193

Liabilities

	1985	1984
FUNDS DUE CITY OF WINNIPEG - 1983 DEFICIT	$ 124,800	$ 255,300
ACCOUNTS PAYABLE	300	300
WORKERS COMPENSATION RESERVE ACCOUNT	659,637	376,593
TOTAL	$ 784,737	$ 632,193

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditors' Report

To the Sinking Fund Trustees of
The City of Winnipeg

We have examined the balance sheet of The City of Winnipeg—Workers Compensation Reserve Fund as at December 31, 1985 and the statement of workers compensation reserve account for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1985 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Deloitte, Haskins & Sells,
Chartered Accountants

Winnipeg, Manitoba
February 28, 1986

The City of Winnipeg
Workers Compensation Reserve Account

For the Year Ended December 31, 1985

	1985	1984
BALANCE AT BEGINNING OF THE YEAR	$ 376,593	$ 298,238
ADD		
Interest income	62,391	71,747
City of Winnipeg - Surplus from operations	215,206	6,994
- Other contributions	5,747	—
	659,937	376,979
DEDUCT		
Call Fund Administration Fee - City of Winnipeg	—	86
Audit Fees	300	300
BALANCE AT END OF THE YEAR	$ 659,637	$ 376,593

Note to the Financial Statements

December 31, 1985

VALUATION OF INVESTMENTS

Investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to reserve account in the year of purchase.

When investments are sold or mature, the difference between carrying value and proceeds is written-off or credited to reserve account at that time.

The City of Winnipeg
Parks Reserve Fund
Balance Sheet

As at December 31, 1985

Assets

INVESTMENT IN BONDS AND DEBENTURES (Note)

1985 Par Value		1985	1984
$ 835,000	Government of Canada & Canada guaranteed	$ 831,875	$ 118,725
104,000	Provincial & Provincial guaranteed	103,750	158,750
192,000	City of Winnipeg	182,353	182,353
47,000	Other Canadian cities	43,688	61,575
$1,178,000	Total investment in bonds and debentures	1,161,666	521,403
	Bond Residues and Coupons - Government of Canada	39,684	—
	- Provincial	598,826	524,990
		1,800,176	1,046,393
	Accrued Interest	41,711	11,334
	Cash	1,683	18,887
	Call loans—City of Winnipeg	138,500	645,000
	TOTAL	$1,982,070	$1,721,614

Liabilities

ACCOUNTS PAYABLE	$ 900	$ 300
RESERVE ACCOUNTS		
Perpetual maintenance—Brookside Cemetery	1,877,757	1,635,852
—Special Plots	10,482	10,484
—St. Vital Cemetery	56,435	44,592
—Transcona Cemetery	36,496	30,386
TOTAL	$1,982,070	$1,721,614

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditors' Report

To the Sinking Fund Trustees of
The City of Winnipeg:

We have examined the balance sheet of The City of Winnipeg—Parks Reserve Fund as at December 31, 1985 and the statement of reserve accounts for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1985 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Deloitte, Haskins & Sells,
Chartered Accountants

Winnipeg, Manitoba
February 28, 1986

The City of Winnipeg
Parks Reserve Accounts

For the Year Ended December 31, 1985

	1985	1984
BROOKSIDE CEMETERY MAINTENANCE		
Balance at beginning of the year	$1,635,852	$1,427,143
Add		
Capital additions contributed by The City of Winnipeg	42,142	35,580
Interest income	200,727	175,218
	1,878,721	1,637,941
Deduct		
Audit Fees	300	300
Call fund administration fees - City of Winnipeg	664	1,789
Balance at end of the year	1,877,757	1,635,852
SPECIAL PLOTS MAINTENANCE		
Balance at beginning of the year	10,484	10,488
Add interest income	365	363
	10,849	10,851
Deduct annual maintenance	367	367
Balance at end of the year	10,482	10,484
ST. VITAL CEMETERY MAINTENANCE		
Balance at beginning of the year	44,592	32,115
Capital additions contributed by The City of Winnipeg	7,686	8,391
Interest income	4,580	4,171
	56,858	44,677
Deduct Administration Fees	423	85
Balance at end of the year	56,435	44,592
TRANSCONA CEMETERY MAINTENANCE		
Balance at beginning of the year	30,386	22,522
Capital additions contributed by The City of Winnipeg	4,057	5,056
Interest income	2,440	2,866
	36,883	30,444
Deduct Administration Fees	387	58
Balance at end of the year	36,496	30,386
TOTAL RESERVE ACCOUNTS	$1,981,170	$1,721,314

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Note to the Financial Statements

December 31, 1985

VALUATION OF INVESTMENTS

Investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written-off to reserve account in the year of purchase.

When investments are sold or mature, the difference between carrying value and proceeds is written-off or credited to reserve account at that time.

The City of Winnipeg
Insurance Reserve Fund
Balance Sheet

As at December 31, 1985

Assets

INVESTMENT IN BONDS AND DEBENTURES (Note)

1985 Par Value		1985	1984
$1,550,000	Government of Canada	$1,549,063	$1,000,000
50,000	Provincial and Provincial guaranteed	50,000	99,250
1,528,000	City of Winnipeg	1,513,080	1,543,080
$3,128,000	Total investment in bonds and debentures	3,112,143	2,642,330
	Accrued Interest	111,032	93,658
	Cash	633	106,665
	Call Loans—City of Winnipeg	588,500	1,171,000
	TOTAL	$3,812,308	$4,013,653

Liabilities

ACCOUNTS PAYABLE	$ 514,736	$ 609,146
INSURANCE RESERVE ACCOUNT	3,297,572	3,404,507
TOTAL	$3,812,308	$4,013,653

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditors' Report

To the Sinking Fund Trustees of
The City of Winnipeg:

We have examined the balance sheet of The City of Winnipeg—Insurance Reserve Fund as at December 31, 1985 and the statement of insurance reserve account for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1985 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Deloitte, Haskins & Sells,
Chartered Accountants

Winnipeg, Manitoba
February 28, 1986

The City of Winnipeg
Insurance Reserve Account

For the Year Ended December 31, 1985

	1985	1984
BALANCE AT BEGINNING OF THE YEAR	$3,404,507	$3,574,831
ADD		
Interest income	409,287	440,312
Gains on disposal of investments	750	2,500
	$3,814,544	$4,017,643
DEDUCT		
Call Fund Administration Fee - City of Winnipeg	2,236	3,990
Audit fees	300	300
Appropriations for current year's claims	514,436	608,846
	516,972	613,136
BALANCE AT END OF THE YEAR	$3,297,572	$3,404,507

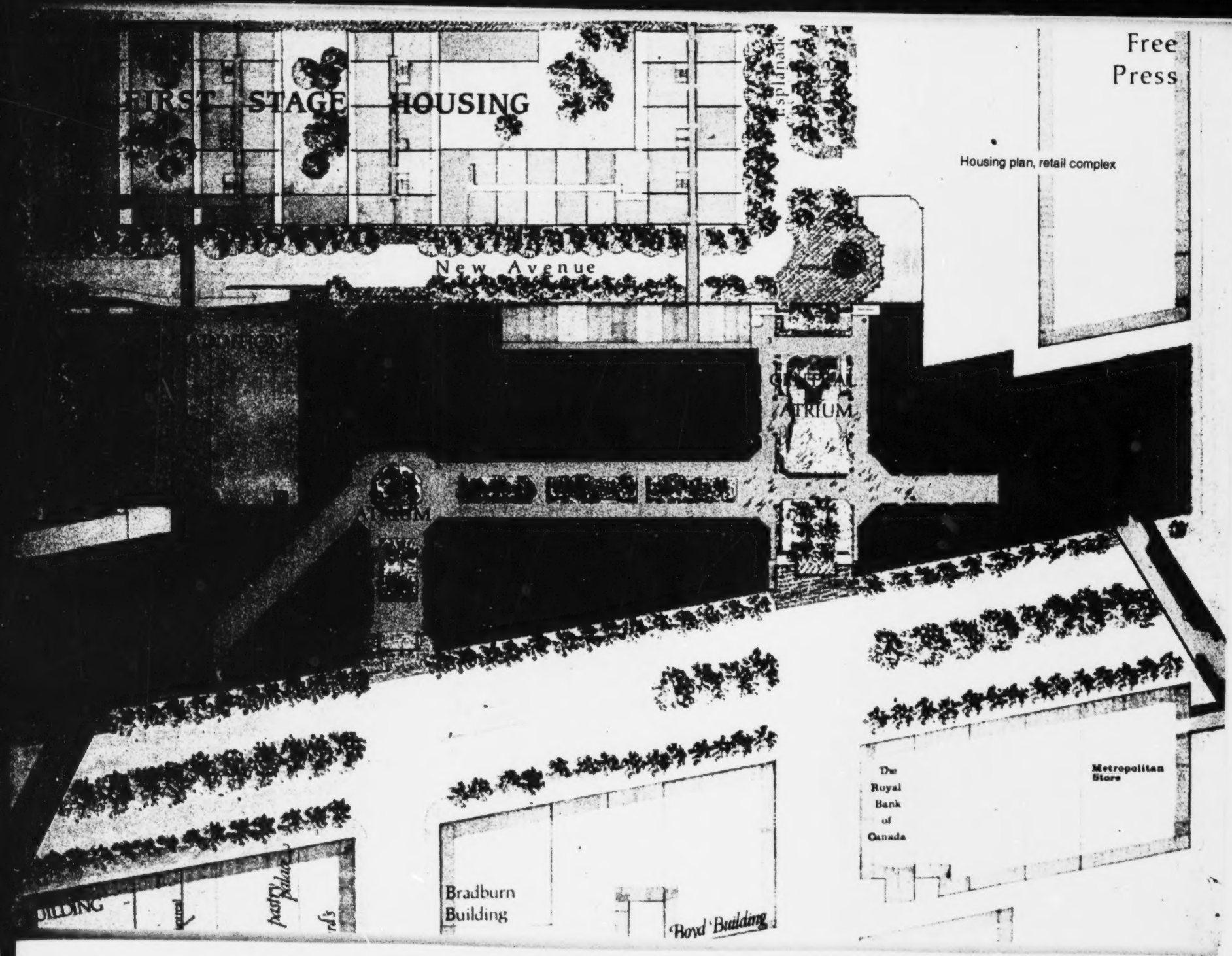
Note to the Financial Statements

December 31, 1985

VALUATION OF INVESTMENTS

Investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to reserve account in the year of purchase.

When investments are sold or mature, the difference between carrying value and proceeds is written-off or credited to reserve account at that time.


FIRST STAGE HOUSING
Esplanade
Free Press
Housing plan, retail complex
New Avenue
ATRIUM
Bradburn Building
Boyd Building
The Royal Bank of Canada
Metropolitan Store

Trust Funds

The City of Winnipeg
Trust Funds Balance Sheet

As at December 31, 1985

Assets

	1985	1984
DUE FROM GENERAL REVENUE FUND	$76,209	$63,525

Liabilities

LIBRARY TRUST	$ 8,165	$ 1,859
ST. BONIFACE MUSEUM BOARD TRUST	48,158	45,165
PORTAGE AND MAIN CONCOURSE TRUST	14,069	11,598
ZOO TRUST	5,817	4,903
	$76,209	$63,525

Trust Funds Account

For the Year Ended December 31, 1985

	Library Trust		St. Boniface Museum Board Trust		Portage & Main Concourse Trust		Zoo Trust		Trust Funds Total	
	1985	1984	1985	1984	1985	1984	1985	1984	1985	1984
Opening Balance	$ 1,859	$ 1,697	$45,165	$47,330	$11,598	$ 9,116	$ 4,903	$ 3,791	$63,525	$83,056
ADD:										
Contributions	7,812	620	—	500	1,504	1,599	509	742	9,825	3,461
Interest Earned	377	152	3,515	3,930	967	883	405	370	5,264	5,335
	10,048	2,469	48,680	51,760	14,069	11,598	5,817	4,903	78,614	91,852
DEDUCT:										
Disbursements	1,883	610	522	6,595	—	—	—	—	2,405	28,327
Closing Balance	$ 8,165	$ 1,859	$48,158	$45,165	$14,069	$11,598	$5,817	$4,903	$76,209	$63,525

Trust Funds

LIBRARY TRUST

Is comprised of donations from private citizens and organizations in support of various library services. The City Librarian is the Fund Manager.

ST. BONIFACE MUSEUM BOARD TRUST

Is comprised of Senior Government grant funds to be specifically utilized for the museum's capital, operating and tape transcript programs. The Administrator of the museum is the Fund Manager.

PORTAGE & MAIN CONCOURSE TRUST

Is funded by way of a square footage levy on Concourse shop tenants. The funds are to be utilized for the promotion or benefit of the Concourse. The Director of Civic Properties is the Fund Manager.

ZOO TRUST

Is comprised of donations from private citizens and organizations for any zoo purpose. Funds were originally derived from the sale of promotional decals donated by the Zoological Society of Manitoba. The General Manager of Parks and Recreation is the Fund Manager.

The Trustees of the Dental Services Plan for The City of Winnipeg Employees

City Council on October 15, 1980 authorized the appointment of the City Treasurer, the Medical Health Officer and the General Manager of Personnel as trustees of the Dental Services Plan for The City of Winnipeg Employees.

The Plan revenue consists of contributions from The City of Winnipeg for dental claims paid by the Trustees and bank interest earned.

The disbursements from this reserve are limited to eligible dental claims submitted to the service company by the employees and service company administration fees.

Auditor's Report

To The Trustees of the Dental Services Plan for
The City of Winnipeg Employees

I have examined the balance sheet of the Trustees of the Dental Services Plan for The City of Winnipeg Employees as at December 31, 1985 and the Trust Funds Account for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of the Dental Services Plan for The City of Winnipeg Employees as at December 31, 1985 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
April 17, 1986

The Trustees of the Dental Services Plan For The City of Winnipeg Employees Trust Fund Balance Sheet

As at December 31, 1985

Assets

	1985	1984
Cash in Bank	$ 186,253	$ 279,901
Accounts Receivable - The City of Winnipeg	244,698	150,817
Accrued Interest	1,050	1,730
	$ 432,001	$ 432,448

Liabilities

Accounts Payable	$ 116,937	$ 52,245
Trust Account	315,064	380,203
	$ 432,001	$ 432,448

Trust Fund Account

For The Year Ended December 31, 1985

		1985	1984
Opening Balance		$ 380,203	$ 358,191
ADD	Contributions - The City of Winnipeg	3,327,735	1,987,620
	Interest Earned	15,813	22,080
		3,723,751	2,367,891
DEDUCT	Dental Claims	3,317,353	1,939,802
	Administration Fee	91,334	47,886
		3,408,687	1,987,688
Closing Balance		$ 315,064	$ 380,203

Note to the Financial Statements

December 31, 1985

ACCOUNTING POLICIES

Interest earned during the 1981 - 1984 period of operations has accumulated to $80,631. The Trustees have approved that in 1985 the accumulated interest will be used to reduce the contributions made by The City of Winnipeg for dental benefits. In subsequent years, the interest earned in the previous year will be annually applied against the contributions made by The City of Winnipeg.

Tax Levies, Rates and Assessments

Tax Levies, Rates and Assessments

In addition to the tax revenues required to be raised for municipal purposes, Council, under the continuing provisions of the Public Schools Act, must fix and impose taxes sufficient to meet that portion of the cost of education that is to be raised through levies on assessable property within the City of Winnipeg.

The tax rate equalization effects of Provincial legislation enacted for the year 1972, i.e., unification and amendments to the Public Schools Act, were significant. This included the application of uniform mill rates for the municipal levy and the major part of the total schools requirement.

The amounts that were required to be raised in 1985 included the City's share of the Province's Education Support Program and the requirements of the twelve school divisions (located wholly or in part within the City) representing the portion of their costs that were determined to be the entire responsibility of the City.

A measure of tax relief on farm and residential properties was provided at a cost borne by the Provincial Government. Under the Manitoba Property Tax Credit program a resident homeowner qualified for a reduction of $325 on his 1985 property tax bill and, depending on his taxable income, for an additional credit of up to $200 claimable on the homeowner's 1985 income tax return. Other homeowners and residential tenants obtained their entire credit to a maximum of $525 via the income tax return. (The maximum property tax credit for senior citizens was $625.)

In addition, the Manitoba Pensioners' School Tax Assistance Program provided up to $175 in extra assistance to Manitoba pensioner homeowners whose school taxes exceeded $162.50

With respect to the application of tax revenues, the City has adopted the policy of recording in any year, no more than actual cash collections with all tax arrears being fully reserved.

The City of Winnipeg
Tax Levies—1985

	1985	1984
REALTY		
Mill Rates (Including Provisions of $184,542,157 for Schools) *	$404,876,706	$385,523,962
Local Improvements, etc.	17,810,780	16,199,687
	422,687,486	401,723,649
BUSINESS	28,842,938	28,461,772
	$451,530,424	$430,185,421

Tax Collections and Arrears

	1985	1984
TAXES TO COLLECT		
Current Levy (*1 & 2)	$451,530,424	$430,185,421
Arrears (Including Net Additions)	31,175,914	34,465,215
Penalties	3,108,487	3,220,390
	485,814,825	467,871,026
COLLECTIONS		
Current Levy (*1 & 2)	431,120,103	409,165,680
Arrears	18,120,176	21,384,526
	449,240,279	430,550,206
TOTAL COLLECTIONS AS A PERCENTAGE OF THE CURRENT LEVY	99.49%	100.08%
ARREARS DECEMBER 31st	36,574,546	37,320,820
Less Allowance	36,574,546	37,320,820
	$ NIL	$ NIL

* Includes the following amounts paid direct to the City by the Provincial Government for property tax deductions allowed to certain taxpayers.

1. Property Tax Credit	$ 41,797,052	$ 40,868,881
2. School Tax Assistance	4,718,007	4,464,349
	$ 46,515,059	$ 45,333,230

Grants in Lieu of Taxes

	1985	1984
Province of Manitoba	$ 30,053,722	$ 28,816,544
Government of Canada	12,987,907	11,619,251
City of Winnipeg Utilities	4,475,436	4,345,185
Housing Authority	627,797	607,575
Civic Centre Car Park	111,853	108,522
Centennial Library Parking Garage	176,746	183,310
Winnipeg Square Parking Garage	297,080	288,367
Winnipeg Enterprises Corporation	8,000	8,000
Other	62,159	60,134
	$ 48,800,700**	$ 46,036,888**
** Includes School Levies	$ 21,288,944	$ 19,598,546

The City of Winnipeg
Realty Tax Mill Rates—1985 (1984)

FORMER MUNICIPALITY	SCHOOL DIVISION	Farm and Residential Property			Other Property		
		Municipal	Schools*	Total	Municipal	Schools*	Total
Charleswood	2	117.343 (113.197)	83.981 (80.285)	201.324 (193.482)	117.343 (113.197)	122.608 (117.579)	239.951 (230.776)
	3	117.343 (113.197)	93.081 (87.131)	210.424 (200.328)	117.343 (113.197)	131.708 (124.425)	249.051 (237.622)
East and North Kildonan	9	117.343 (113.197)	92.144 (88.289)	209.487 (201.486)	117.343 (113.197)	130.771 (126.183)	248.114 (239.380)
Fort Garry	3	117.343 (113.197)	93.081 (87.131)	210.424 (200.328)	117.343 (113.197)	131.708 (124.425)	249.051 (237.622)
	5	117.343 (113.197)	89.646 (82.593)	206.989 (195.790)	117.343 (113.197)	128.273 (119.887)	245.616 (233.084)
	14	117.343 (113.197)	95.174 (89.067)	212.517 (202.264)	117.343 (113.197)	133.801 (126.361)	251.144 (239.558)
Old and West Kildonan	10	117.343 (113.197)	92.934 (88.471)	210.277 (201.668)	117.343 (113.197)	131.561 (125.765)	248.904 (238.962)
St. Boniface	4	117.343 (113.197)	93.323 (92.593)	210.666 (205.790)	117.343 (113.197)	131.950 (129.887)	249.293 (243.084)
	8	117.343 (113.197)	90.620 (85.377)	207.963 (198.574)	117.343 (113.197)	129.247 (122.671)	246.590 (235.868)
St. James-Assiniboia	2	117.343 (113.197)	83.981 (80.285)	201.324 (193.482)	117.343 (113.197)	122.608 (117.579)	239.951 (230.776)
	21	117.343 (113.197)	85.867 (85.594)	203.210 (198.791)	117.343 (113.197)	124.494 (122.888)	241.837 (236.085)
St. Vital	6	117.343 (113.197)	90.267 (91.954)	207.610 (205.151)	117.343 (113.197)	128.894 (129.248)	246.237 (242.445)
Transcona	12	117.343 (113.197)	93.124 (88.545)	210.467 (201.742)	117.343 (113.197)	131.751 (125.839)	249.094 (239.036)
Tuxedo	3	117.343 (113.197)	93.081 (87.131)	210.424 (200.328)	117.343 (113.197)	131.708 (124.425)	249.051 (237.622)
Winnipeg	1	117.343 (113.197)	88.269 (85.792)	205.612 (198.989)	117.343 (113.197)	126.896 (123.086)	244.239 (236.283)

* Schools Mill Rates Detailed on Page 58.

The City of Winnipeg
Realty and Personal Property Assessments
Used in the Preparation of the 1985 Budget
(INCLUDES PROPERTIES SUBJECT TO GRANTS IN LIEU OF TAXES)

	1985			1984			Percentage Increase (Decrease) In 1985
FOR SCHOOL PURPOSES	Farm & Res.	Other	Total	Farm & Res.	Other	Total	
School Division							
No. 1—Winnipeg	$ 412,969,710	$391,179,180	$ 804,148,890	$ 406,528,290	$390,046,160	$ 796,574,450	1.0
2—St. James-Assiniboia	167,482,660	106,523,310	274,005,970	165,122,760	105,347,130	270,469,890	1.3
3—Assiniboine South	94,624,540	16,757,080	111,381,620	90,629,570	16,912,280	107,541,850	3.6
4—St. Boniface	69,318,240	31,098,390	100,416,630	68,879,250	31,085,580	99,964,830	0.5
5—Fort Garry	98,329,900	67,073,660	165,403,560	96,315,910	66,468,690	162,784,600	1.6
6—St. Vital	109,290,600	15,236,860	124,527,460	102,657,280	14,665,310	117,322,590	6.1
8—Norwood	22,389,590	15,462,050	37,851,640	22,339,420	15,271,040	37,610,460	0.6
9—River East	149,705,040	19,945,650	169,650,690	146,306,910	19,455,030	165,761,940	2.3
10—Seven Oaks	98,833,050	16,614,800	115,447,850	95,672,760	16,307,730	111,980,490	3.1
12—Transcona-Springfield	51,145,360	29,981,150	81,126,510	49,433,160	29,659,980	79,093,140	2.6
14—Seine River	11,406,180	1,174,610	12,580,790	11,064,020	1,093,110	12,157,130	3.5
21—Interlake	232,130	9,210	241,340	232,130	9,210	241,340	0.0
TOTAL FOR SCHOOL PURPOSES	$1,285,727,000	$711,055,950	$1,996,782,950	$1,255,181,460	$706,321,250	$1,961,502,710	1.8
FOR MUNICIPAL PURPOSES			$2,026,440,890			$1,996,987,890	1.0

The City of Winnipeg
1985 Taxable Assessments by Property Classifications
As at the Closing of the Realty Assessment Rolls

	Land	Buildings	Total	%	Number of Holdings
Residential—Improved	$232,567,260	$ 756,307,400	$ 988,874,660	53.4	142,061.0
Residential—Vacant	12,622,800	—	12,622,800	0.7	6,910.0
Apartments	21,394,820	217,719,850	239,114,670	12.9	1,612.0
Agricultural	11,390,090	3,362,200	14,752,290	0.8	1,407.5
Commercial & Industrial—Improved	122,606,130	432,795,040	555,401,170	30.0	7,036.5
Commercial & Industrial—Vacant	10,002,090	—	10,002,090	0.5	1,222.5
	410,583,190	1,410,184,490	1,820,767,680	98.3	160,249.5
Personal Property		31,091,220	31,091,220	1.7	120.0
	$410,583,190	$1,441,275,710	$1,851,858,900	100.0	160,369.5

1985 Exempt Assessments by Ownership Classifications

	Land	Buildings	Total	%	Number of Holdings
City of Winnipeg—General	$ 40,709,820	$ 60,007,250	$ 100,717,070	21.9	3,479.0
—Tax Properties	1,433,830	60,500	1,494,330	0.3	799.0
	42,143,650	60,067,750	102,211,400	22.2	4,278.0
Provincial Government	16,300,750	82,084,200	98,384,950	21.4	1,200.0
Federal Government	8,673,250	45,549,350	54,222,600	11.8	173.0
Public Schools	11,497,060	72,827,400	84,324,460	18.3	271.0
Universities	2,546,660	39,685,800	42,232,460	9.2	25.0
Private Schools & Colleges	693,800	5,370,850	6,064,650	1.3	32.0
Hospitals	1,627,980	35,731,100	37,359,080	8.1	49.5
Churches	4,139,190	20,050,640	24,189,830	5.3	386.5
National Transcontinental Railway	1,022,020	4,423,250	5,445,270	1.2	16.0
Canadian Pacific Railway	747,960	918,870	1,666,830	0.4	63.5
Miscellaneous	479,520	3,104,750	3,584,270	0.8	46.0
	89,871,840	369,813,960	459,685,800	99.99	6,540.5
Personal Property	—	34,050	34,050	.01	19.0
	$ 89,871,840	$ 369,848,010	$ 459,719,850	100.0	6,559.5

NOTE: Properties acquired through tax sale procedure and remaining unsold are assessed at $1,494,330.

The City of Winnipeg
Schools Requirement—1985

TOTAL DEMAND

	1985	1984
PROVINCIAL EDUCATION SUPPORT PROGRAM LEVY		
Farm and Residential	$ 54,911,460	$ 54,350,075
Other Property	57,834,023	56,925,927
TOTAL LEVY	112,745,483	111,276,002
SPECIAL LEVIES (BY SCHOOL DIVISION)		
Winnipeg No. 1	36,637,800	33,847,000
St. James-Assiniboia No. 2	11,309,022	10,002,970
Assiniboine South No. 3	5,610,635	4,713,568
St. Boniface No. 4	5,082,606	4,927,480
Fort Garry No. 5	7,763,686	6,396,139
St. Vital No. 6	5,922,427	5,708,089
Norwood No. 8	1,813,533	1,582,506
River East No. 9	8,386,904	7,556,750
Seven Oaks No. 10	5,798,494	5,058,122
Transcona-Springfield No. 12	4,090,035	3,578,521
Seine River No. 14	660,060	556,379
Interlake No. 21	10,416	10,207
TOTAL SPECIAL LEVIES	93,085,618	83,937,731
TOTAL DEMAND	$205,831,101	$195,213,733

REVENUE SOURCES

Realty Taxes	$184,542,157	$175,615,187
Grants in Lieu of Taxes	21,288,944	19,598,546
	$205,831,101	$195,213,733

The City of Winnipeg
School Mill Rates—1985 (1984)

School Division	FARM AND RESIDENTIAL			OTHER		
	Provincial Support Levy	Special Levy	Total	Provincial Support Levy	Special Levy	Total
No. 1—Winnipeg	42.708	45.561	88.269	81.335	45.561	126.896
	(43.301)	(42.491)	(85.792)	(80.595)	(42.491)	(123.086)
2—St. James-Assiniboia	42.708	41.273	83.981	81.335	41.273	122.608
	(43.301)	(36.984)	(80.285)	(80.595)	(36.984)	(117.579)
3—Assiniboine South	42.708	50.373	93.081	81.335	50.373	131.708
	(43.301)	(43.830)	(87.131)	(80.595)	(43.830)	(124.425)
4—St. Boniface	42.708	50.615	93.323	81.335	50.615	131.950
	(43.301)	(49.292)	(92.593)	(80.595)	(49.292)	(129.887)
5—Fort Garry	42.708	46.938	89.646	81.335	46.938	128.273
	(43.301)	(39.292)	(82.593)	(80.595)	(39.292)	(119.887)
6—St. Vital	42.708	47.559	90.267	81.335	47.559	128.894
	(43.301)	(48.653)	(91.954)	(80.595)	(48.653)	(129.248)
8—Norwood	42.708	47.912	90.620	81.335	47.912	129.247
	(43.301)	(42.076)	(85.377)	(80.595)	(42.076)	(122.671)
9—River East	42.708	49.436	92.144	81.335	49.436	130.771
	(43.301)	(45.588)	(88.889)	(80.595)	(45.588)	(126.183)
10—Seven Oaks	42.708	50.226	92.934	81.335	50.226	131.561
	(43.301)	(45.170)	(88.471)	(80.595)	(45.170)	(125.765)
12—Transcona-Springfield	42.708	50.416	93.124	81.335	50.416	131.751
	(43.301)	(45.244)	(88.545)	(80.595)	(45.244)	(125.839)
14—Seine River	42.708	52.466	95.174	81.335	52.466	133.801
	(43.301)	(45.766)	(89.067)	(80.595)	(45.766)	(126.361)
21—Interlake	42.708	43.159	85.867	81.335	43.159	124.494
	(43.301)	(42.293)	(85.594)	(80.595)	(42.293)	(122.888)

Equipment and Material Services Fund

Equipment and Material Services

Historical Data

The Equipment and Material Services Branch was initiated by the former City of Winnipeg, which operated the Engineering Department consisting of Stores, Small Tools, Equipment, Shops and Primary Materials. The Branch was carried on with the establishment of the Operations Department in 1974.

The Stores and Tools Section stores all materials, small tools and supplies required by the six public works districts and the equipment shops. Other City departments use the stores. The Stores Section is financed through a charge for services levied on goods sold. The Stores Section processed $11,732,000 of public works goods, materials and vehicle fuel in 1985.

The Equipment Section, with a fleet of 1,300 self-propelled units and 360 other units, ranging from ambulances to slip form pavers to air compressors, provides equipment to the Operations, Streets and Transportation, Civic Properties, Winnipeg Ambulance Service, Land Surveys and Real Estate Department and the License Branch of the Finance Department. The Equipment Section also administers the Equipment Replacement Reserve Fund and purchases equipment replacements (except for smaller pieces of equipment) for City departments.

The Shops Section provides mechanical repair services for the Equipment Section fleet, a number of other departments and a fabrication, paint and carpentry function for the Equipment and Material Services Branch and other departments, such as minor maintenance work on City bridges for the Streets and Transportation Department.

The Primary Materials Section operates three gravel pits, a limestone quarry, asphalt concrete plant, portland cement concrete plant, and a broken pavement recycling operation. The quarry at Stony Mountain was started in 1897, the gravel pit at Bird's Hill in 1882 and the asphalt and concrete plants were started in 1899 and 1924. The original plants have been replaced. The existing concrete and asphalt plants were constructed in 1953 and 1959; minor improvements have been made over the years. Products produced by the Primary Materials Section are sold to the Operations Department primarily, although other City departments and outside firms make purchases during the year.

Statistical Information

	1985	1984	1983
Limestone Products Sales	32,586 Tonnes	31,887 Tonnes	38,284 Tonnes
Clay and Gravel Products Sales	16,662 Tonnes	37,175 Tonnes	57,536 Tonnes
Concrete Products Sales	14,122 Cubic Meters	14,873 Cubic Meters	14,151 Cubic Meters
Asphalt Mixes Sales	42,869 Tonnes	37,222 Tonnes	47,329 Tonnes
Sand and Gravel Sales	321,682 Tonnes	251,146 Tonnes	268,640 Tonnes
Crushed Concrete Pavement Sales	35,543 Tonnes	34,625 Tonnes	33,258 Tonnes
Winter Abrasives Sales	130,387 Tonnes	92,207 Tonnes	60,616 Tonnes

Financial Statements follow on Pages 61 to 64.

The City of Winnipeg
Equipment and Material Services
Balance Sheet

As at December 31, 1985

Assets

	1985	1984
CURRENT ASSETS		
Cash on Hand	$ 75	$ 75
Due from General Revenue Fund	558.101	—
Accounts Receivable		
Province of Manitoba	21.488	6.074
Government of Canada	686	719
Other	43.998	56.471
	66.172	63.264
Inventories (Note 2)	4.524.223	4.258.200
	5.148.571	4.321.539
FIXED ASSETS		
Property, Plant and Equipment (Note 1(A))		
Land	149.840	149.840
Buildings and Plants	1.130.899	1.130.974
Vehicular Equipment	24.620.842	23.835.938
Other Equipment	2.385.112	2.299.492
Tools and Supplies	1.857.620	1.795.689
	30.144.313	29.211.933
Roof Repairs and Heating Plant	224.568	184.381
Less Accumulated Depreciation	110.628	73.752
	113.940	110.629
	30.258.253	29.322.562
	$35.406.824	$33.644.101

Liabilities

CURRENT LIABILITIES		
Due to General Revenue Fund	$ —	$ 76.017
Accounts Payable (Note 3)	960.242	794.765
Accrued Liabilities	355.686	284.091
	1.315.928	1.154.873
GRAVEL AND QUARRY PIT PROVISION FOR LAND REHABILITATION (Note 4)	339.114	319.201
	1.655.042	1.474.074

Equity

CAPITAL INVESTED IN PLANT	30.144.313	29.211.933
RETAINED EARNINGS	3.607.469	2.958.094
	33.751.782	32.170.027
	$35.406.824	$33.644.101

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Equipment and Material Services
Statement of Revenue and Expenditure
For the Year Ended December 31, 1985

	Budget 1985	Actual 1985	Actual 1984
REVENUE			
Equipment Section	$14,394,724	$14,624,174	$13,846,546
Shops Section	8,851,131	9,708,591	8,748,697
Stores Section (Note 6)	1,009,758	1,312,600	1,031,000
Tools and Supplies Section	1,201,013	1,135,025	1,098,336
Primary Materials Section	6,808,001	8,038,887	6,811,830
TOTAL REVENUE	$32,264,627	$34,819,277	$31,536,409
EXPENDITURE (Notes 7 & 8)			
Equipment Section (Note 1(B))	$14,136,964	$14,972,566	$13,742,554
Shops Section	8,774,632	9,540,880	8,642,861
Stores Section	1,128,908	1,023,939	988,859
Tools and Supplies Section	1,189,239	1,011,486	868,952
Primary Materials Section	6,516,769	7,621,031	6,641,526
TOTAL EXPENDITURE	31,746,512	34,169,902	30,884,752
NET PROFIT FOR THE YEAR	$ 518,115	$ 649,375	$ 651,657

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Equipment and Material Services
Statement of Retained Earnings

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$2,958,094	$2,296,229
ADD Prior Period Adjustment	—	10,208
Net Profit for the Year	649,375	651,657
Closing Balance	$3,607,469	$2,958,094

Statement of Changes in Financial Position

For the Year Ended December 31, 1985

	1985	1984
FUNDS WERE DERIVED FROM		
Current Operations		
Net Profit for the Year	$ 649,375	$ 651,657
ADD Expenses not Requiring Cash Outlay		
Depreciation	36,876	36,876
Gravel and Quarry Pit Replacement and Rehabilitation Provision	19,912	15,654
Property, Plant and Equipment Financed from Operations	506,422	287,237
Adjustment of Prior Years Surplus	—	(950)
Total Funds from Current Operations	1,212,585	990,474
Contribution from General Revenue Fund	22,629	52,387
Contribution from Transit System	—	5,500
Contribution from Equipment Replacement Reserve	1,719,424	3,492,978
	2,954,638	4,541,339
FUNDS WERE EXPENDED FOR		
Property, Plant and Equipment	2,288,661	3,838,101
	2,288,661	3,838,101
Increase in Working Capital	$ 665,977	$ 703,238

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Equipment and Material Services
Notes to the Financial Statements

December 31, 1985

1. **Significant Accounting Policies**

A. PROPERTY, PLANT AND EQUIPMENT

a) Land, Buildings and Plants, and Other Equipment are recorded at estimated values in accordance with available records when actual costs can not be determined and are considered completely depreciated.

b) Vehicular Equipment is recorded at cost. The Equipment Replacement Reserve Fund finances equipment requirements and records all purchases as an expense.

c) Tools and Supplies are recorded at cost.

B. REPLACEMENT PROVISION ON VEHICULAR EQUIPMENT

A replacement charge is paid to the Equipment Replacement Reserve by the Equipment Section based on the estimated cost of replacement. This expenditure is described as depreciation in the accounts of the Equipment Section.

2. **Inventories**

These are valued at cost based on the following methods:

Shops	$ 54,384	Average Cost
Stores	$3,365,276	Last In - First Out
Primary Material Services	$1,104,563	Retail

3. **Accounts Payable**

Commitments totalling $482,806 (1984 - $279,400) were recorded in accounts for goods and services which had not been received by the year end.

4. **Gravel and Quarry Pit Provision for Land Rehabilitation**

The City-owned quarry and gravel pits contribute 7¢ and 18¢ per tonne respectively as Provision for Land Rehabilitation. The provision rate was established by Urwick Currie in their review of the Primary Materials Section.

5. **Contingent Liability**

Under the sick pay credit plan of the Equipment & Material Services Branch, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulate credits has not been determined.

6. **Revenue**

a) Stores sales and cost of sales are not reflected in the statements. Revenue for Stores is the up-charge on sales to cover administration.

b) The majority of revenue generated by the Equipment and Material Services Funds are from City of Winnipeg Departments. Revenue from sources external to the City of Winnipeg amounted to $129,661 (1984 - $93,000)

7. **Administration**

This fund is charged with the estimated share of the City's General Overhead Expenditure applicable to the Equipment and Material Services Branch.

8. **Taxes**

The Equipment and Material Services Fund is charged with the full taxes paid to outside municipalities and to The City of Winnipeg General Revenue Fund. Taxes are assessed on the property as if it were privately owned.

9. **Amortization of Pension Fund Deficit**

In recent years actuarial valuations have identified unfunded liabilities in various existing plans. The most recent complete valuation was as at December 31, 1982, and the majority of these liabilities were re-assessed at December 31, 1983. City Council has adopted a policy of amortizing unfunded liabilities in accordance with the Pension Benefit Act of the Province. The Equipment and Material Services portion is as follows:

Pension Fund	Unfunded Liability As At December 31, 1985	Annual Payment	Term
Employee Benefits	$1,102,667	$126,988	to 2000
Civic	43,719	17,925	to 1988
	$1,146,386	$144,913	

City Owned Utilities

Hydro Electric System

Historical Data

A referendum in 1906 authorized the City to undertake the supply of electricity. A lease was secured for the Pointe du Bois power site on the Winnipeg River, which is renewable every twenty years in perpetuity. The lease has been extended to December 31, 1991. Power was first delivered from this plant in 1911.

The growing power requirements of the City were met by the construction of the Slave Falls plant which first delivered power in 1931. This power site was initially leased to the City for a term of 50 years, effective January 1932, with provision for the purchase of the plant by the Government at its option at any time after 1962 on a predetermined compensation basis; the lease was further extended for 40 years commencing January 1982.

To meet the rapidly growing power needs, a Steam Turbine Generating Plant was constructed with 11,000 kW capacity in 1924, which was extended to 51,000 kW capacity in 1954.

On November 1, 1955, an agreement was entered into between the City, the Manitoba Hydro Electric Board and the Manitoba Power Commission whereby the City became the sole distributor of electricity inside the City limits and the City relinquished to the Manitoba Power Commission all its distribution properties outside the City limits. By this agreement the Manitoba Hydro Electric Board undertook to provide and to sell to the City (and the City agreed to purchase) the power required in excess of the City's generating capacity until 1962. In 1959 this power sale and purchase agreement was extended to March 31, 1964. The Act governing the amalgamation of the Manitoba Power Commission and the Manitoba Hydro Electric Board which became effective April 1, 1961, protects the City's position by requiring the new Manitoba Hydro Electric Board to observe unchanged all the conditions of this power sale agreement. Early in 1963 an extension of the Power Agreement was negotiated for a further ten years to March 31, 1974, incorporating the same basic principles contained in the existing agreement.

The agreement was extended in 1973, 1976 and 1981.

The System has now four sources of electricity supply

1. Pointe du Bois—This plant has an installed capacity of 105,000 H.P., and the capital cost to date including four transmission circuits, tramway, bridges, etc., totals $11,070,460. The plant operates under a normal head of forty-six feet. Its equipment consists of sixteen horizontal water turbines. Power is delivered to the City by means of four 66,000 volt transmission circuits carried on two separate sets of towers.

2. Slave Falls—This plant has an installed capacity of 96,000 H.P. in eight vertical water wheel units operating under a normal head of 30 feet. The electrical output is transmitted to Winnipeg over two 132,000 volt transmission circuits on one set of steel towers. The capital expenditure to date on power plant, transmission lines and tramway is $11,672,130.

3. Steam Turbine Plant—The capacity of this plant is 72,700 shaft horsepower consisting of one 25,000 kW, one 15,000 kW, two 5,000 kW condensing steam turbines and one 1,000 kW non-condensing steam turbine. It is operated in conjunction with the Steam Heating System from which steam for the three smallest units is purchased. The capital expenditure to date on this plant totals $6,937,917.

   The capacity of this plant is available for use of the combined City and the Manitoba Hydro Electric Board System. Manitoba Hydro reimburses the City for its share of the costs of this Station.

4. The Manitoba Hydro Electric Board—The City has available to it the same proportion of the residual hydraulic capacity of the Board as its peak requirements are to the sum of the peak requirements of the City and of Manitoba Hydro. The unit rate for this power to the City and the distributing facilities of the Board is the same, and is sufficient to return to the Board the costs of the generating, transmitting and terminal facilities.

Expenditures include full municipal taxes and a reasonable share of the City's general overhead expenses. In addition, this utility has contributed $104,125,326 during the years 1938 to 1985 towards reduction of general taxation. Of the 1985 net profit amounting to $15.77 million, $8.35 million was transferred during 1985 and the remaining $7.4 million will be transferred during 1986. Depreciation is charged in accordance with the orders of the Manitoba Municipal and Public Utility Board. The Board under Order No. 212/66, effective January 1, 1966, authorized the System to change its depreciation rates and accounting procedures.

Following unification of January 1, 1972, the total area of the new City continued to be serviced by two power utilities on the same basis as that prior to unification, i.e., former Winnipeg by the City's utility at one schedule of rates and all other former municipalities by the Manitoba Hydro at another. Equalization of rates, a requirement of The City of Winnipeg Act, was effected on August 1, 1973.

Statistical Information

	1985	1984	1983
Electric Energy Generated (net)	1,080,306,220 kW.h	1,079,429,860 kW.h	1,040,838,200 kW.h
Electric Energy Purchased	1,197,685,905 kW.h	1,113,590,063 kW.h	1,119,097,483 kW.h
Average Domestic Consumption	8,945 kW.h	8,709 kW.h	8,454 kW.h
Number of Services	114,597	116,160	117,917

Financial Statements follow on Pages 68 to 72.

The City of Winnipeg
Hydro Electric System
Balance Sheet
As at December 31, 1985

Assets

	1985	1984
CURRENT ASSETS		
Cash on Hand	$ 105,876	$ 98,856
Due from General Revenue Fund	—	3,571,163
Accounts Receivable		
Province of Manitoba	105,959	183,230
Government of Canada	806	254
Other	7,752,348	6,851,432
	7,859,113	7,034,916
Less Allowance for Doubtful Accounts	82,431	138,431
	7,776,682	6,896,485
Inventories at cost	2,633,725	2,674,552
Prepaid Expenses	11,292	10,550
	10,527,575	13,251,606
FUNDS ON DEPOSIT WITH SINKING FUND TRUSTEES (Note 2 & 5(a))	26,003,132	23,541,312
FIXED ASSETS		
Property, Plant and Equipment, at cost (Note 1(A))	129,059,643	126,305,494
Work in Progress	2,716,228	632,886
	131,775,871	126,938,380
Less Accumulated Depreciation (Note 1(B))	65,558,111	63,863,883
	66,217,760	63,074,497
DEFERRED FOREIGN EXCHANGE (Note 5(b))	3,263,868	3,024,648
	$106,012,335	$102,892,063

Liabilities

CURRENT LIABILITIES		
Due to General Revenue Fund	$ 1,797,883	$ —
Accounts Payable and Accrued Liabilities (Note 6)	5,455,716	5,363,122
Accrued Debenture Interest	1,273,667	1,187,969
Customer Deposits and Other	821,269	783,144
	9,348,535	7,334,235
LONG TERM LIABILITIES		
Debenture Debt (Note 3)	57,177,325	56,343,325
Provision for Foreign Exchange at Maturity (Note 1(C) & 5(b))	5,475,222	5,340,220
	62,652,547	61,683,545
	72,001,082	69,017,780

Equity

CONTRIBUTIONS IN AID OF CONSTRUCTION	2,632,457	2,359,573
EXCESS DEPRECIATION (Note 4)	3,259,585	3,368,185
RETAINED EARNINGS	28,119,211	28,146,525
	34,011,253	33,874,283
	$106,012,335	$102,892,063

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Hydro Electric System
Statement of Revenue and Expenditure

For the Year Ended December 31, 1985

	Budget 1985	Actual 1985	Actual 1984
REVENUE			
Sale of Electricity (Note 10)	$72,770,000	$74,995,562	$69,266,196
Penalties	159,800	175,087	117,331
Commissions	1,117,800	1,097,752	1,082,663
Rentals	543,500	582,921	524,624
Interest Earned	500,000	737,442	260,333
Interest Capitalized	45,000	126,212	43,394
Interest on Sinking Fund	1,100,600	1,109,471	1,020,859
Contribution from Sinking Fund	—	33,582	33,582
Other	641,000	839,553	710,009
TOTAL REVENUE	$76,877,700	$79,697,582	$73,058,991
EXPENDITURE			
Operating Expenditure			
Electricity Purchased (Note 11)	$33,339,000	$29,866,024	$30,047,756
Administration	3,501,700	3,263,537	3,129,259
Generation	3,341,300	3,246,112	2,627,394
Tramway	258,300	249,572	226,657
Steam Turbine Plant	991,200	973,141	930,724
Transmission	585,300	520,449	584,543
Distribution	7,032,700	6,624,786	6,539,288
Commercial Services	4,825,702	4,800,262	4,742,350
Appliance Service, Stores and Garage	166,900	(21,862)	38,614
Taxes (Note 13)	1,325,000	1,298,113	1,271,808
Employee Benefits	2,683,380	2,573,542	2,641,361
Amortization of Pension Fund Deficits (Note 15)	405,700	457,656	405,700
Other	244,500	192,682	239,330
TOTAL OPERATING EXPENDITURE	58,700,682	54,044,014	53,424,784
Depreciation, Interest and Financial Expenditure			
Depreciation	2,450,000	2,459,819	2,440,414
Interest on Debentures	5,677,600	5,635,247	4,922,088
Financial Expenditure	762,800	858,678	1,016,208
	8,890,400	8,953,744	8,378,710
TOTAL EXPENDITURE	$67,591,082	$62,997,758	$61,803,494
PROFIT BEFORE GRANT	$ 9,286,618	$16,699,824	$11,255,497
GRANT TO STEAM HEATING SYSTEM	(577,500)	(927,138)	(599,839)
NET PROFIT FOR THE YEAR	$ 8,709,118	$15,772,686	$10,655,658

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Hydro Electric System
Statement of Retained Earnings

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$28,146,525	$26,510,867
ADD Net Profit for the Year	15,772,686	10,655,658
	43,919,211	37,166,525
DEDUCT Contribution to General Revenue Fund (Note 14)	15,800,000	9,020,000
Closing Balance	$28,119,211	$28,146,525

Statement of Changes in Financial Position

For the Year Ended December 31, 1985

	1985	1984
FUNDS WERE DERIVED FROM		
Current Operations		
Net Profit for the Year	$15,772,686	$10,655,658
ADD Expenses not requiring Cash Outlay		
Depreciation	2,459,819	2,440,414
Amortization of Foreign Exchange	280,222	287,016
Loss on Disposal of Fixed Assets	10,038	29,307
DEDUCT Credits to Operations not involving Incoming Funds		
Amortization of Excess Depreciation	(108,600)	(108,650)
Interest on Sinking Fund	(1,109,471)	(977,425)
Total Funds from Current Operations	17,304,694	12,326,320
Debenture Issue	2,000,000	7,000,000
Payments from Sinking Fund Trustees		
Matured Debt	1,000,000	2,983,000
Foreign Exchange	313,355	2,361,923
Proceeds from Sale of Property and Plant	15,394	10,141
Contributions in Aid of Construction	272,884	62,082
Fixed Assets Returned to Stores	167,963	161,008
	21,074,290	24,904,474
FUNDS WERE EXPENDED FOR		
Property, Plant and Equipment	5,480,707	3,071,127
Payments to Sinking Fund Trustees		
Actuarial Requirements	1,924,180	1,714,181
Foreign Exchange	741,524	711,896
Debt Retired	1,166,000	3,140,000
Contribution to General Revenue Fund	15,800,000	9,020,000
Removal Costs of Fixed Assets Disposals	315,770	315,179
Foreign Exchange on Maturities	384,441	2,361,923
	25,812,622	20,334,306
Increase (Decrease) in Working Capital	($ 4,738,332)	$ 4,570,168

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Hydro Electric System
Notes to the Financial Statements
December 31, 1985

1. **Significant Accounting Policies**

A. PROPERTY, PLANT AND EQUIPMENT

Assets are recorded at cost in accordance with generally accepted accounting principles. Profits or losses on disposal of assets are recorded in the statement of income except for overhead and underground distribution assets on which profits and losses on disposal are netted in accumulated depreciation.

B. DEPRECIATION

Depreciation is recorded on a straight-line basis for all assets, except land, in accordance with generally accepted accounting principles.

C. FOREIGN EXCHANGE ON DEBENTURE DEBT

Unrealized exchange losses relating to the translation of long term foreign currency bond issues at the exchange rates prevailing at the balance sheet date, are fully provided for in the Long Term Debt section. (See Note 5(b)).

D. ACCRUAL BASIS OF ACCOUNTING

Revenue for services rendered but not billed at the end of the year is not being accrued. Other items of revenue and expenditure are accounted for on an accrual basis.

2. **Funds on Deposit with Sinking Fund Trustees**

a) Included in this asset are deposits for foreign exchange requirements of $3,142,088.

b) Funds on deposit for actuarial and foreign exchange requirements are credited with interest calculated at various statutory rates not exceeding the maximum rate as prescribed by The City of Winnipeg Act. If the Sinking Fund Trustees' net income for the year was allocated in proportion to total funds on deposit, an additional amount of approximately $2.1 million (1984 $2.1 million) would have accrued to the credit of the utility.

3. **Debenture Debt**

a) All sinking fund debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4½%, with the exception of the following:

i) By-law 2622/80 — In 1980 The City of Winnipeg under By-law 2622/80 issued 8-year sinking fund debentures, extendible for an additional 8 years. The 5% levy provision as permitted under Section 304(1) of The City of Winnipeg Act will result in a sinking fund deficiency requiring refinancing if the debentures are redeemed at the end of 8 years. If the issue remains outstanding until 1996, a sinking fund sufficient to fully retire the issue will be available.

ii) The following table sets out those By-laws which, as a result of the levies being provided and the terms of the issues, will result in sinking fund deficiencies requiring these issues to be refinanced at maturity.

By-law	Year of Issue	Term of Issue	Levy
3807/84	1984	7 Years	3%
4025/85	1985	5 Years	3%

b) All debentures are general obligations of the City. Debenture debt is allocated to the General Capital Fund and Utilities in the amounts shown in the issuing by-law.

c) At maturity the debenture debt is payable in the following currencies:

In Canadian Dollars	$41,577,325
In United States Dollars	15,600,000
	$57,177,325

Debenture debt issued in United States dollars is recorded at par with the Canadian dollar.

4. **Excess Depreciation**

Commencing in 1966, this account is being amortized over a 50-year period through an annual credit to operations in accordance with the requirements of the Manitoba Public Utilities Board Order 114/68 in the amount of $108,650.

5. **Provision for Foreign Exchange at Maturity**

a) Sufficient funds are on deposit with the Sinking Fund Trustees for sinking fund debenture issues payable in foreign currencies to maintain the actuarial requirements in Canadian dollars at the equivalent of the foreign currencies at the exchange rates prevailing at the balance sheet date.

b) Debenture debt payable in foreign currencies amounted to $15,600,000 as at December 31, 1985. The foreign exchange on this liability at the exchange rates prevailing at balance sheet date totalled $6,213,480. To date $2,211,353 has been accumulated towards this contingency at maturity through the retention of exchange premiums realized on foreign currency bond issues, contributions from sinking fund surpluses and charges to current operations. The City has adopted a policy of including foreign exchange on Sinking Fund holdings of U.S. securities to reduce the amount to be amortized. The exchange attributed to these investments totaled $738,258. The foreign exchange deficiency of $3,263,869 (an amount which will be recalculated annually as the requirement for such purpose may from year to year vary) has been set up as a deferred charge to be amortized over the remaining life of the related bond issues by annual charges to operations.

6. **Accounts Payable**

Commitments totalling $60,247 (1984 - $73,280) were recorded in the accounts for goods and services which had not been received by the year end.

7. **Contingent Liability**

a) Under the sick pay credit plan of the Hydro Electric System, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

b) The Hydro Electric System with the City are defendants in a lawsuit as at December 31, 1985. At this time the liability is not determinable.

8. **Homeowners Insulation Program**

The City of Winnipeg (through the Hydro Electric System) acts as an agent for the Crown in lending monies to owners of eligible residential property to assist them in paying the cost of insulating or improving the insulation of residential property, and in collecting amounts due in payment of the principal and interest of any loan made under the Province's Homeowners Tax and Insulation Act. As at December 31, 1985, outstanding loans, including interest, amounted to $6,954,647.

9. **Public Utility Board Control**

The Hydro Electric System has not been subject to control over consumer rates by the Manitoba Public Utilities Board since 1970. Consumer rates are required to be equal to those charged by Manitoba Hydro within the City of Winnipeg. Manitoba Hydro rates are subject to approval by the Provincial Government.

10. **Consumer Rates**

A consumer rate increase went into effect on April 1, 1985. A further rate increase went into effect April 1, 1986.

11. **Electricity Purchased**

Under an agreement with Manitoba Hydro, the Hydro Electric System agrees to purchase the power required in excess of the System's generating capacity. The agreement expired November 30, 1984 and negotiations for an extension to the agreement are in progress.

12. **Administration and General**

This expenditure includes the estimated share of the City's general overhead expenditure applicable to the Hydro Electric System.

13. **Taxes**

This expenditure includes full taxes paid to outside municipalities and to The City of Winnipeg General Revenue Fund. Taxes are assessed on property as if it were privately owned. The only exception to this is taxes on personal property (distribution lines on city streets) which are assessed in an amount fixed by The City of Winnipeg Act. This statutory assessed value is $1,200,000.

14. **Contribution to the City's General Budget**

The Hydro Electric System contributed $15,800,000 in 1985 and is committed to transfer $7,400,000 of the 1985 surplus to the City's 1986 General Revenue Fund.

15. **Amortization of Pension Fund Deficit**

In recent years actuarial valuations have identified unfunded liabilities in various existing plans. The most recent complete valuation was as at December 31, 1982, and the majority of these liabilities were re-assessed at December 31, 1983. City Council has adopted a policy of amortizing unfunded liabilities in accordance with the Pension Benefit Act of the Province. The Hydro Electric System portion is as follows:

Pension Fund	Unfunded Liability As At December 31, 1985	Annual Payment	Term
Employee Benefits	$3,262,959	$407,106	to 2000
Civic	123,610	50,550	to 1988
	$3,386,569	$457,656	

16. **Changes in Accounting Treatment**

The following changes in accounting treatment were instituted in 1985.

a) The method of amortization of foreign exchange has been changed to (1) include the year of maturity and (2) to reduce the amount to be amortized by the foreign exchange on Sinking Fund holdings of U.S. securities. The effect of these changes has been to reduce the charge to expenditures by $156,706. (See Note 5 (b)).

b) The format and classification of the financial statements have been changed for 1985. The 1984 figures have been restated for comparative purposes.

Steam Heating System

Historical Data

The Steam Heating System commenced operation in 1924 concurrently with the Steam Turbine Plant installation of the Hydro Electric System. The two plants occupy sections of the same building on Amy Street. Steam for heating purposes is generated at a pressure of 240 lbs. per square inch in four pulverized coal boilers which utilize bituminous coal, and two travelling-grate stoker fired boilers which utilize either bituminous or lignite coal. The maximum short time output capacity of all six boilers is 600,000 lbs. of steam per hour. These boilers supply the steam requirements of the Steam Heating System and the 11,000 kilowatts of original steam turbine capacity in the standby plant.

A heat exchanger of 130,000 lbs. per hour capacity, installed in 1964, allows the Steam Heating System to make use of the more economical high pressure, high temperature boilers installed in 1951 to supply the 40,000 kilowatt extension to the standby plant.

When off-peak electrical energy is available from the hydro plants of Winnipeg Hydro or Manitoba Hydro, and when steam can be used in the Steam Heating System, three electric boilers with a combined output of 81,000 lbs. of steam per hour are also available. In 1985 these electric boilers produced 19.6% of the total steam requirements.

Two 14 inch diameter mains connect the steam plant with the mains network which supplies steam for heating purposes in the central commercial area of the City at a pressure of 50 to 70 lbs. per square inch.

The capital cost of the Steam Plant and the Steam Distribution System as at December 31, 1985 is $3,608,120 201 customers are served.

The Steam Heating System also pays a due share of general overhead expenses and municipal taxes. It is noteworthy that since the commencement of operations in 1924, the System has used off-peak power from the Hydro Electric System to the value of $4,922,479 the total for 1985 being $365,731.

Statistical Information

	1985	1984	1983
Steam Sales to Customers	396,448,000 lbs	369,619,000 lbs	365,374,000 lbs
Mean Temperature, Heating Season	25.5°F -3.6°C	28.2°F -2.1°C	27.9°F -2.3°C

Financial Statements follow on Pages 74 to 77.

The City of Winnipeg
Steam Heating System
Balance Sheet

As at December 31, 1985

Assets

	1985	1984
CURRENT ASSETS		
Cash on Hand	$ 100	$ —
Accounts Receivable	873,646	721,187
Less Allowance for Doubtful Accounts	16,153	11,153
	857,493	710,034
Inventories at cost	235,439	138,342
Prepaid Expenses	46	25
	1,093,078	848,401
FIXED ASSETS		
Property, Plant and Equipment at cost	3,608,120	3,606,461
Work in Progress	17,636	—
	3,625,756	3,606,461
Less Accumulated Depreciation (Note 1(A))	3,383,699	3,371,271
	242,057	235,190
	$1,335,135	$1,083,591

Liabilities

CURRENT LIABILITIES		
Due to General Revenue Fund	$ 530,082	$ 451,659
Accounts Payable and Accrued Liabilities (Note 4)	675,366	510,315
Accrued Debenture Interest	776	1,006
Customer Deposits	33,115	8,815
	1,239,339	971,795
LONG TERM LIABILITIES		
Debenture Debt (Note 2)	54,000	70,000
	1,293,339	1,041,795

Equity

RETAINED EARNINGS	41,796	41,796
	$1,335,135	$1,083,591

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Steam Heating System
Statement of Revenue and Expenditure

For the Year Ended December 31, 1985

	Budget 1985	Actual 1985	Actual 1984
REVENUE			
Steam Sales—Commercial (Note 6)	$3,612,800	$3,643,461	$3,271,090
Hydro Standby Service (Note 1(B))	60,000	60,000	60,000
Equipment Rentals	5,100	5,458	5,279
Miscellaneous Earnings	8,600	5,955	7,545
Provincial Support Grant	21,300	18,729	19,031
TOTAL REVENUE	$3,707,800	$3,733,603	$3,362,945
EXPENDITURE			
Operating Expenditure			
Production	$3,255,300	$3,417,170	$2,983,654
Distribution	467,700	447,374	434,678
Commercial	19,600	17,963	16,052
Administration and General (Note 7)	94,500	99,081	91,938
Taxes (Note 8)	199,500	195,774	168,503
Employee Benefits	142,600	373,920	134,934
Amortization of Pension Fund Deficits (Note 9)	30,200	34,102	30,200
TOTAL OPERATING EXPENDITURE	4,209,400	4,585,384	3,859,959
Depreciation, Interest and Financial Expenditure			
Depreciation	16,000	16,000	43,094
Interest on Debentures	3,800	3,795	5,269
Financial Expenditure	56,100	55,562	54,462
TOTAL EXPENDITURE	$4,285,300	$4,660,741	$3,962,784
LOSS BEFORE GRANT	$ 577,500	$ 927,138	$ 599,839
GRANT FROM HYDRO ELECTRIC SYSTEM	577,500	927,138	599,839
NET PROFIT (LOSS) FOR THE YEAR	$ —	$ —	$ —

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Steam Heating System
Statement of Retained Earnings

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$41,796	$41,796
Closing Balance	$41,796	$41,796

Statement of Changes in Financial Position

For the Year Ended December 31, 1985

	1985	1984
FUNDS WERE DERIVED FROM		
Current Operations		
Net Loss for the Year	$927,138	$599,839
Grant from Winnipeg Hydro	927,138	599,839
	—	—
Expenses not requiring Cash Outlay		
Depreciation	16,000	43,094
Total Funds from Current Operations	16,000	43,094
FUNDS WERE EXPENDED FOR		
Property, Plant and Equipment	22,866	3,999
Debt Retired	16,000	43,094
	38,866	47,093
Decrease in Working Capital	$ 22,866	$ 3,999

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Steam Heating System
Notes to the Financial Statements

December 31, 1985

1. **Significant Accounting Policies**

   A. DEPRECIATION

   Depreciation is charged on the basis of serial debt amortization. The effect of this policy is as follows:

   a) All Capital assets including the cost of land, are subject to depreciation after they are funded.

   b) Assets are not depreciated until they are funded which may materially affect the depreciation expenditure and the resulting profit or loss, if funding is delayed more than one year.

   c) Capital assets in the amount of $188,057 remain unfunded and are not being depreciated at the year end.

   d) The adequacy or inadequacy of the depreciation being provided cannot be determined because the useful life of the System is currently being studied. (See Note 3)

   B. HYDRO STANDBY SERVICE

   The revenue item recorded at $60,000 is the reimbursement to the Steam Heating System for the cost of maintenance of equipment used jointly by the steam heating plant and the steam turbine plant of the Hydro Electric System.

   C. ACCRUAL BASIS OF ACCOUNTING

   Revenue for services rendered but not billed at the end of the year is not being accrued. Other items of revenues and expenditures are accounted for on the accrual basis.

2. **Debenture Debt**

   All debentures are general obligations of the City. Debenture debt is allocated to the General Capital Fund and Utilities in the amounts shown in the issuing by-law.

3. **Estimated Useful Life of the Steam Heating System**

   A study on replacing the existing facility with an Energy from Waste Plant was presented to Works and Operations Committee on March 5, 1985. The Province of Manitoba has been approached to explore mutual interests in building this new facility. No decision has been made to date. The environmental license has been extended until September 1, 1990.

4. **Accounts Payable**

   Commitments totalling $10,027 (1984 - $5,854) were recorded in the accounts for goods and services which had not been received by the year end.

5. **Contingent Liability**

   Under the sick pay credit plan of the Steam Heating System, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

6. **Consumer Rates**

   Consumer rates were increased 6.6% March 1, 1985 as authorized by Council.

7. **Administration and General**

   This expenditure includes the estimated share of the City's general overhead expenditure applicable to the Steam Heating System.

8. **Taxes**

   Taxes are calculated on the Steam Heating System assets as if they were privately owned. In addition to this, a tax of 3% of gross sales is charged to the Utility for the use of City streets for steam mains.

9. **Amortization of Pension Fund Deficit**

   In recent years actuarial valuations have identified unfunded liabilities in various existing plans. The most recent complete valuation was as at December 31, 1982, and the majority of these liabilities were re-assessed at December 31, 1983. City Council has adopted a policy of amortizing unfunded liabilities in accordance with the Pension Benefit Act of the Province. The Steam Heating System portion is as follows:

Pension Fund	Unfunded Liability As At December 31, 1985	Annual Payment	Term
Employee Benefits	$535,600	$30,352	to 2000
Civic	9,200	3,750	to 1988
	$544,800	$34,102	

10. **Changes in Accounting Treatment**

    The format and classification of the financial statements have been changed for 1985. The 1984 figures have been restated for comparative purposes.

Transit System

Historical Data

The first step toward public transportation in Winnipeg was taken on May 27, 1882 with the incorporation of the Winnipeg Street Railway Company. With a franchise from the City of Winnipeg, the first regular service started on October 21, 1882, using horse cars during the summer and sleighs during the winter.

On January 28, 1891 with the consent of City Council, the Winnipeg Street Railway Company operated the first electric street car on River Avenue, the line being extended to River Park in July.

After a franchise battle, the City Council on February 1, 1892 passed By-law No. 543 giving a new company, Winnipeg Electric Street Railway Company, an exclusive franchise to operate electric street cars in Winnipeg. For two years there were two sets of tracks on Main Street, both horse and electric cars competing. Fares dropped to a low of 2 cents. Shortly after, the Electric Company bought out the Winnipeg Street Railway and basic fares became 5 cents.

For the next 14 years service was extended farther and farther, reaching Selkirk, Stonewall, Headingly and St. Norbert.

In 1904 the Winnipeg Electric Street Railway Company and the Winnipeg General Power Company merged and became Winnipeg Electric Railway Company. In 1906 the Company first operated the Pinawa Plant on the Winnipeg River - the first hydro-electric power plant in Manitoba.

Sunday service was initiated in 1906.

From 1914 to 1918 street cars had competition from "Jitneys" — autos which charged 5 cents per person and operated mostly in the rush hours on heavy traffic routes - until the City passed a by-law setting a 25 cent minimum fare per person.

The first motor buses were operated on Westminster Avenue in 1918.

One-man cars were first used in regular service in 1923, and replaced two-man cars on many routes.

Trolley buses were first operated in 1938.

The peak ridership was reached in 1946 when 105,000,000 passengers rode the street cars and buses.

On October 28, 1952 the Manitoba Hydro-Electric Board, as agent for the Province of Manitoba, offered to purchase the outstanding shares of the Company (now Winnipeg Electric Company).

On January 16, 1953 the Greater Winnipeg Transit Company was incorporated and took over the transit assets and liabilities.

On April 18th, 1953 at the request of the City of Winnipeg and other area municipalities, the Greater Winnipeg Transit Commission was incorporated and authorized to purchase the shares and debentures of the Transit Company.

On May 29, 1953 the Commission purchased the shares and debentures of the Transit Company and, on November 1, 1953, the assets and liabilities of the Transit Company were vested in The Greater Winnipeg Transit Commission.

On September 19, 1955 the street cars made their last run, giving way to the modern diesel, gas and trolley buses.

With the passage of The Metropolitan Winnipeg Act in 1960, effective January 1, 1961, the Metropolitan Corporation of Greater Winnipeg was given the exclusive right to operate a local passenger transportation service within Metropolitan Winnipeg.

On October 30, 1970 the trolley buses were discontinued thus making the Public Transportation fleet a total diesel operation.

On January 1, 1972 under the provisions of Section 662(1) of The City of Winnipeg Act, the Metropolitan Corporation of Greater Winnipeg, which had been responsible for providing public transportation in the Metropolitan area, from January 1, 1961, to December 31, 1971, was dissolved and all the duties, rights, and liabilities of the Transit System became the responsibility of the new City of Winnipeg.

Statistical Information

	1985	1984	1983
Basic Adult Fare	.80 Exact Fare	.75 Exact Fare	.65 Exact Fare
Revenue Passengers Carried	58,116,160	59,357,203	59,032,867
Bus Hours Operated	1,401,624	1,399,958	1,381,524
Bus KM Operated	26,135,666	26,014,414	25,615,157
Revenue Vehicles Operated	548	548	548

Financial Statements follow on Pages 79 to 82.

The City of Winnipeg
Transit System
Balance Sheet
As at December 31, 1985

Assets

	1985	1984
CURRENT ASSETS		
Cash on Hand	$ 215,042	$ 175,871
Accounts Receivable		
Province of Manitoba	596,281	674,003
Government of Canada	—	8,499
Other	99,043	233,744
	695,324	916,246
Inventories of Maintenance Parts, at cost or realizable value	1,974,406	2,019,302
	2,884,772	3,111,419
FUNDS ON DEPOSIT WITH SINKING FUND TRUSTEES (Note 2 & 4(a))	8,674 222	7,472,956
FIXED ASSETS		
Property, Plant and Equipment, at cost (Note 1(A))	16,545,415	19,911,698
Work in Progress	18,837,462	4,562,819
	35,382,877	24,474,517
Less Accumulated Depreciation (Note 1(B))	13,638,220	16,353,333
Contributions in Aid of Construction	5,349,511	1,842,979
	16,395,146	6,278,205
DEFERRED FOREIGN EXCHANGE (Note 4(b))	1,120,367	1,067,093
	$29,074,507	$17,929,678

Liabilities

CURRENT LIABILITIES		
Due to General Revenue Fund	$ 11,125,406	$ 207,033
Accounts Payable and Accrued Liabilities (Note 5)	2,379,568	3,586,470
Accrued Debenture Interest	297,654	248,750
Deferred Revenue	53,190	52,975
	13,855,818	4,095,228
LONG TERM LIABILITIES		
Debenture Debt (Note 3)	12,100,000	11,100,000
Provision for Foreign Exchange at Maturity (Note 1(C) & 4(b))	3,118,689	2,734,450
	15,218,689	13,834,450
	$29,074,507	$17,929,678

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Transit System
Statement of Revenue and Expenditure

For the Year Ended December 31, 1985

	Budget 1985	Actual 1985	Actual 1984
REVENUE			
Passenger	$29,587,600	$29,471,330	$27,194,264
Charter	256,200	158,944	183,956
Non-Transportation	821,950	1,058,188	897,500
Interest Capitalized	350,000	409,813	32,760
Interest on Sinking Fund	318,150	326,014	275,713
Provincial Government Grants (Note 8)	16,586,285	16,127,636	16,621,072
Appropriation from General Levy	16,018,386	15,569,956	16,080,290
TOTAL REVENUE	$63,938,571	$63,121,881	$61,285,555
EXPENDITURE			
Administration and General	$ 3,046,041	$ 2,859,666	$ 3,737,619
Schedules	323,953	303,745	278,865
Maintenance of Equipment	17,833,740	17,775,093	17,056,198
Transportation	28,351,579	27,243,180	26,732,149
Publicity and Information	670,468	669,035	464,080
Taxes	835,000	819,146	792,100
Employee Benefits	6,371,629	6,859,702	5,744,236
Amortization of Pension Fund Deficit (Note 9)	1,351,000	1,379,375	1,351,000
Claims	110,800	37,784	87,114
General Government Charges	1,548,000	1,548,000	1,492,000
	60,442,210	59,494,726	57,735,361
Depreciation, Interest and Financial Expenditure			
Depreciation	637,871	637,871	888,834
Interest on Debentures	1,184,400	1,200,904	1,161,810
Financial Expenditure	530,350	638,834	563,550
	2,352,621	2,477,609	2,614,194
Purchase and Refurbishing of Motive Equipment	1,143,740	1,149,546	936,000
TOTAL EXPENDITURE	$63,938,571	$63,121,881	$61,285,555

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Transit System
Statement of Changes in Financial Position

For the Year Ended December 31, 1985

	1985	1984
FUNDS WERE DERIVED FROM		
Current Operations		
ADD Expenses not requiring Cash Outlay		
Appropriation for Purchase of Motive Equipment	$1,149,546	$ 936,000
Depreciation	637,871	888,834
Amortization of Foreign Exchange	330,970	312,806
Loss (Gain) on Disposal of Fixed Assets	(5,423)	6,597
DEDUCT Credits to Operations not Involving Incoming Funds		
Interest on Sinking Fund	326,014	275,714
Total Funds from Current Operations	1,786,950	1,868,523
Contribution from Federal Government	177,342	278,534
Contributions from Provincial Government	3,329,190	22,147
Debenture Issue	1,000,000	—
Proceeds from Sale of Property and Plant	18,722	4,776
	6,312,204	2,173,980
FUNDS WERE EXPENDED FOR		
Acquisition and Refurbishing of Motive Equipment	1,149,546	936,000
Property, Plant and Equipment	14,274,643	990,550
Payments to Sinking Fund Trustees		
Actuarial Requirements	390,222	390,222
Foreign Exchange	485,030	434,122
Debt Retired	—	277,000
	16,299,441	3,027,894
Decrease in Working Capital	$9,987,237	$ 853,914

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

December 31, 1985

1. **Significant Accounting Policies**

A. PROPERTY, PLANT AND EQUIPMENT

Purchase of buses for the years 1975 to 1983 were made out of current funds and were not recorded as capital assets. The 1984 and 1985 purchase of buses were made from capital funds in 1985.

B. DEPRECIATION

Depreciation is recorded in an amount equal to the total of serial debt repayments, Sinking Fund levies and Sinking Fund interest. The effect of this policy is as follows:

a) All capital assets, including the cost of land, are subject to depreciation after they are funded.

b) Assets are not depreciated until they have been funded, which may materially affect depreciation expense and the resulting deficit if funding is unduly delayed.

C. FOREIGN EXCHANGE ON DEBENTURE DEBT

Unrealized exchange losses relating to the translation of long term foreign currency bond issues at the exchange rate prevailing at the balance sheet date are fully provided for in the Long Term Debt section. (See Note 4(b))

D. ACCRUAL BASIS OF ACCOUNTING

Revenues and expenditures are accounted for on the accrual basis.

2. **Funds on Deposit with Sinking Fund Trustees**

Included in this asset are deposits for foreign exchange requirements of $2,130,686.

3. **Debenture Debt**

a) All sinking fund debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4½%, with the exception of the following:

i) By-law 2622/80 - In 1980 The City of Winnipeg under By-law 2622/80 issued 8-year sinking fund debentures, extendible for an additional 8 years. The 5% levy provision as permitted under Section 304(2) of The City of Winnipeg Act will result in a sinking fund deficiency requiring refinancing if the debentures are redeemed at the end of 8 years. If the issue remains outstanding until 1996, a sinking fund sufficient to fully retire the issue will be available.

ii) The following table sets out those By-Laws which, as a result of the levies being provided and the terms of the issues, will result in sinking fund deficiencies requiring these issues to be refinanced at maturity.

By-Law	Year of Issue	Term of Issue	Levy
3064/81	1981	5 years	3%
4025/85	1985	5 years	3%

b) All debentures are general obligations of the City. Debenture debt is allocated to the General Capital Fund and Utilities in the amounts shown in the issuing by-law.

c) At maturity the debenture debt is payable in the following currencies:

In Canadian Dollars	$ 3,600,000
In United States Dollars	8,500,000
	$12,100,000

Debenture debt issued in United States dollars is recorded at par with the Canadian dollar.

4. **Provision for Foreign Exchange at Maturity**

a) Sufficient funds are on deposit with the Sinking Fund Trustees for sinking fund debenture issues payable in foreign currencies to maintain the actuarial requirements in Canadian dollars at the equivalent of the foreign currencies at the exchange rates prevailing at the balance sheet date.

b) Debenture debt payable in foreign currencies amounted to $8,500,000 as at December 31, 1985. The foreign exchange on this liability at the exchange rate prevailing at balance sheet date totalled $3,385,550. To date $1,998,322 has been accumulated towards this contingency at maturity through the retention of exchange premiums realized on foreign currency bond issues, contributions from sinking fund surpluses and charges to current operations. The City has adopted a policy of including foreign exchange on Sinking Fund holdings of U.S. securities to reduce the amount to be amortized. The exchange attributed to these investments totaled $266,861. The foreign exchange deficiency of $1,120,367 (an amount which will be recalculated annually as the requirement for such purpose may from year to year vary) has been set up as a deferred charge to be amortized over the remaining life of the related bond issues by annual charges to operations.

5. **Accounts Payable**

Commitments totalling $931,922 (1984 - $2,391,641) were recorded in the accounts for goods and services which had not been received by year end.

6. **Contingent Liability**

Under the sick pay credit plan for certain employees of the Transit System, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

7. **Fare Increase**

Basic fares were increased effective March 1, 1985 and March 1, 1986 as authorized by Council.

8. **Government Grant**

The Provincial Government provided grants of $14,995,183 toward the 1985 Transit System deficit, $574,773 under the Urban Transit Capital Grants Program and $557,680 as a Local Government General Support Grant.

9. **Amortization of Pension Fund Deficit**

In recent years actuarial valuations have identified unfunded liabilities in various existing plans. The most recent complete valuation was as at December 31, 1982, and the majority of these liabilities were re-assessed at December 31, 1983. City Council has adopted a policy of amortizing unfunded liabilities in accordance with the Pension Benefit Act of the Province. The Transit portion is as follows:

Pension Fund	Unfunded Liability As At December 31, 1985	Annual Payment	Term
Employee Benefits	$11,773,361	$1,355,870	to 2000

10. **Changes in Accounting Treatment**

The following change in accounting treatment was instituted in 1985.

The method of amortization of foreign exchange has been changed to (1) include the year of maturity and (2) to reduce the amount to be amortized by the foreign exchange on Sinking Fund holdings of U.S. securities. The effect of these changes has been to reduce the charge to expenditures by $175,379. (See Note 4 (b)).

Water Works System

Historical Data

The water supply system for the City of Winnipeg dates back to 1882, when the plant of the Winnipeg Waterworks Company was put into operation, the supply being obtained from the Assiniboine River just east of the Maryland Bridge. In 1899 the City purchased the plant from the company for $237,650. The distribution system consisted at the time of about 36 kilometers of cast iron mains. After the purchase of the plant, the City proceeded with changing the source of supply from the Assiniboine River to artesian wells chiefly located northwest of the City.

With the growth in population, however, it became evident that a more secure source of supply was necessary. This subject occupied the attention of the City Council almost continuously from 1906 to 1913, when it was ultimately decided to obtain a supply from Shoal Lake located 155 kilometers east of the municipalities. The construction of the aqueduct commenced with in 1913, and on March 29, 1919 Shoal Lake water reached the City. The $17.5 million cost was funded by debentures issued by the Greater Winnipeg Water District. From 1919 to 1961 the Greater Winnipeg Water District delivered water in bulk to the City of Winnipeg's reservoirs. The adjacent municipalities which operated their own distribution facilities were supplied with water by the City. Capital costs of the District were met by a mill rate levy on land only within the District, while the operating costs were met by a water consumption charge. The City also charged on the volume of water pumped.

The McPhillips Street reservoir system was constructed in 1913 and consisted of a covered reservoir with a capacity of 82 million litres. This facility was subsequently expanded in 1932 with construction of a 182 million litre capacity open reservoir.

To meet the increasing demand for water a booster pumping station was built on Tache Avenue in 1950. This facility increased delivery to the McPhillips Reservoir from the Branch I aqueduct from 91 million litres per day by gravity to 173 million litres per day by pumping. In 1950 a study of the system was also undertaken which indicated that, by 1960, the City would require additional pumping and storage capacity and a considerable extension of the feedermains in the distribution system. As a result of this study, the City adopted a ten-year development program which was completed in 1960. The program included 26 kilometers of feedermains at a cost of $2,700,000, the new reservoir at Wilkes Avenue and Waverley Street costing $1,600,000 and the new W.D. Hurst fully automatic pumping station costing $1,700,000. The Wilkes Avenue reservoir was a open reservoir consisting of 2 cells. One cell has since been split into two and roofed. The combined capacity of the three reservoirs is 318 million litres. Space is available on-site for future expansion to 728 million litres capacity. The W.D. Hurst pumping station has an installed pumping capacity of 364 million litres per day and designed expansion to 455 million litres per day.

The City of Winnipeg received delivery of water from the aqueduct at the James Avenue Pumping Station and at its reservoirs located at McPhillips Street and Logan Avenue; and at Wilkes Avenue and Waverley Street. Water was pumped by pumping stations at these reservoirs to the City proper and to some adjoining urban municipalities. The pumping stations operate at a discharge pressure 517 KPa.

The City of St. Boniface had its own water pumping station and well collection system and was also connected directly to the aqueduct via the St. Boniface Pumping Station. Transcona also had a direct connection to the aqueduct at Plessis Road from which water was drawn for Transcona and the C.N.R. Shops. St. Vital had purchased their water supply from St. Boniface until 1954 when a pumping station and feedermain was built to convey water to the St. Vital area.

The functions of the Greater Winnipeg Water District were assumed by the metropolitan Corporation of Greater Winnipeg on January 1, 1961, and on January 1, 1962, the Corporation assumed the responsibility of providing water to the area municipalities. The James Avenue Pumping station remained under the ownership of the City of Winnipeg as its main function was to provide water at high pressure for fire protection in the central high property value district. In 1960 an analysis of the distribution system indicated the necessity of expanding the feedermain system and providing additional pumping and storage capacity. A ten-year program was adopted by the Council of the Metropolitan Corporation. During this program an additional 73 kilometers of feedermains were constructed at a cost of $8.5 million and a new reservoir and fully automatic pumping station was constructed at Marion Street and Lagimodiere Boulevard at a cost of $4,500,000. This new MacLean Pumping Station has an installed pumping capacity of 320 million litres per day. The covered reservoir has a total capacity of 205 million litres. The completion of the Geo C. MacLean Pumping Station and Reservoir in 1964 rendered the St. Boniface and St. Vital Pumping Stations obsolete.

In 1968 the old McPhillips Street pumping station was replaced with a new automatic station with an installed pumping capacity of 365 million litres per day. The cost of this new station was $2.4 million dollars. A new McPhillips Street Reservoir was completed in 1976 at a cost of $11,000,000. This major project was started in 1974 and was placed in service on November 23, 1976. The roofs of the new reservoirs are covered with a 600 mm layer of earthfill, grassed and landscaped, providing some 7 hectares for recreational activities.

In 1971 the first 1,800 million litre capacity cell of a planned 4 cell reservoir with ultimate capacity of 7,000 million litres was constructed at Deacon, on the eastern edge of the City. The reservoir is filled during the winter and discharged in the summer and is designed to defer the construction of a second aqueduct. The second cell of the deacon complex with a capacity of 2,200 million litres was completed in June of 1978. Construction of the Deacon Booster Pumping Station followed and it was placed in service in the summer of 1980. This station will pump water from the Deacon Reservoir to the Wilkes and MacLean distribution reservoirs, and will ensure a sufficient water supply at these stations to meet peak daily demands. Reconstruction of the north cell of the Wilkes Reservoir was started in May 1980 and was completed and placed in service on December 20, 1980. This replaces the former open cell with a closed one that has a capacity of 140 million litres. The final 6.4 kilometres of the Fort Garry Feedermain was completed in 1982 at a cost of $3,000,000. The feedermain provides increased water pressure and fire protection to southern Winnipeg.

A three year program commenced in 1984 to discontinue the high pressure fire service through integration of the high pressure distribution system with the domestic system and retirement of the James Avenue Pumping Station. The pumping station is old and would require much work if it was to be kept in service. The integration of the two distribution systems involves joining the independent systems with common pipes such that the combined system, with some upgrading of pumper trucks can provide the same level of fire protection as the high pressure system presently provides to the central high property value district. The cost to integrate the two systems is estimated at $800,000 and will be charged to the tax supported budget. The James Avenue Pumping Station will be retired from service in 1987.

The utility bears a share of general overhead expenses of the City as well as municipal taxes.

Statistical Information

	1985	1984
Annual Water Pumped (Million Litres)	97,415.0	96,139.0
Water Pumped in Litres Per Capita Per Day	458.0	456.4
Average Daily Water Pumped (million litres per day)	266.9	262.7
Maximum Water Pumping Rate (million litres per day)	516.0	594.0
Kilometers of Aqueduct	158.0	158.36
Kilometers of Feedermains	106.2	106.2
Kilometers of Watermains	2,186.14	2,154.0
Number of Hydrants	15,409.0	14,870.0
Number of Billed Services	160,308.0	157,418.0
Block 1 Rate (Per 100 cu. ft.)	$1.30	$1.24

Financial Statements follow on Pages 84 to 87

The City of Winnipeg
Water Works System
Balance Sheet
As at December 31, 1985

Assets

	1985	1984
CURRENT ASSETS		
Cash on Hand	$ 20,658	$ 271,259
Due from General Revenue Fund	11,020,414	7,191,336
Accounts Receivable		
Province of Manitoba	165	8,209
Government of Canada	—	2,543
Sinking Fund Trustees	11,478	11,478
Other	2,828,966	3,564,870
	2,840,609	3,587,100
Less Allowance for Doubtful Accounts	132,497	115,510
	2,708,112	3,471,590
Inventories at cost	269,569	278,586
	14,018,753	11,212,771
FUNDS ON DEPOSIT WITH SINKING FUND TRUSTEES (Note 2 & 4 (a))	25,463,641	23,634,156
FIXED ASSETS		
Property, Plant and Equipment (Note 1(A) & 10)	112,576,771	108,942,804
Work in Progress (Note 1(A) & 10)	8,256,591	11,176,096
	120,833,362	120,118,900
LESS Accumulated Depreciation (Note 1(B))	73,073,818	69,307,076
Contributions in Aid of Construction	10,371,443	10,371,443
	37,388,101	40,440,381
DEFERRED FOREIGN EXCHANGE (Note 4(b))	3,766,935	3,345,933
	$80,637,430	$78,633,241

Liabilities

CURRENT LIABILITIES		
Accounts Payable (Note 5)	$ 1,258,661	$ 1,419,706
Accrued Liabilities	497,003	474,319
Accrued Debenture Interest	1,949,910	1,923,932
	3,705,574	3,817,957
LONG TERM LIABILITIES		
Debenture Debt (Note 3)	56,882,709	58,414,352
Provision for Foreign Exchange at Maturity (Note 1 (C) & 4(b))	8,975,480	7,688,630
	65,858,189	66,102,982
Due to General Reserve Fund	1,999,616	1,929,752
	67,857,805	68,032,734
	71,563,379	71,850,691

Equity

RETAINED EARNINGS	9,074,051	6,782,550
	$80,637,430	$78,633,241

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Water Works System
Statement of Revenue and Expenditure
For the Year Ended December 31, 1985

	Budget 1985	Actual 1985	Actual 1984
REVENUE			
Water Sales	$30,140,550	$31,780,939	$29,850,802
Frontage Taxes	—	8,122,497	6,145,887
Provincial Support Grant	199,000	195,298	191,197
Permits	20,300	37,200	36,025
Fire Hydrant Rentals	1,574,980	1,578,953	1,536,549
Other Rentals	20,000	25,486	26,042
Railway Services	1,205,000	1,625,661	1,284,807
Interest Earned	799,300	816,820	725,769
Interest Capitalized	110,000	11,456	31,837
Interest on Sinking Fund	1,105,409	1,125,995	961,402
Contributions from Sinking Fund	306,071	468,571	468,571
Miscellaneous	10,000	31,164	50,476
TOTAL REVENUE	$35,490,610	$45,820,040	$41,309,364
EXPENDITURE			
Water Supply			
General Administration	$ 357,341	$ 462,595	$ 404,207
Water Supply Administration	159,800	83,290	234,839
Customers Accounts	1,286,046	1,292,667	1,251,993
Electrical Maintenance/Instrumentation	330,900	300,513	264,821
Mechanical Maintenance	515,935	479,520	427,763
Civil Maintenance	450,954	179,776	417,557
Backflow Prevention	44,424	83,486	56,234
Intake Operation	342,745	309,989	313,571
Staff House	72,258	59,896	56,702
Pumping Stations	1,274,941	1,272,229	1,239,850
Railway Maintenance and Operation	1,163,862	1,040,354	968,992
Design and Engineering	712,782	649,961	513,629
Laboratory Services	362,199	340,917	342,544
	7,074,187	6,555,193	6,492,702
Water Distribution			
Administration	1,714,041	1,773,543	1,732,234
Water Meter Maintenance	828,315	767,219	707,593
Service Pipe Maintenance	2,165,047	2,672,224	2,333,671
Valve Maintenance	1,304,873	1,349,205	1,114,424
Hydrant Maintenance	1,331,125	1,304,764	1,312,797
Watermain Maintenance	5,397,994	4,466,324	5,737,035
Training	—	84,491	169,572
	12,741,395	12,417,770	13,107,326
Debt and Finance			
Interest on Debentures	6,196,388	6,157,307	6,040,845
Depreciation	3,751,583	3,768,155	3,578,213
Foreign Exchange	1,406,325	2,060,386	1,551,278
Financial Expenses	32,600	37,742	49,938
	11,386,896	12,023,590	11,220,274
Other			
Realty and Business Taxes (Note 8)	1,568,000	1,580,727	1,517,533
Payroll Taxes, General Government Charges, Insurance etc.	735,500	740,970	726,778
Employee Benefits	1,653,300	1,726,784	1,482,678
Amortization of Pension Fund Deficit (Note 9)	331,332	361,008	229,000
	4,288,132	4,409,489	3,955,989
Transfer to Watermain Renewal Reserve Fund	—	8,122,497	6,145,887
TOTAL EXPENDITURE	$35,490,610	$43,528,539	$40,922,178
NET PROFIT FOR THE YEAR	$ —	$ 2,291,501	$ 387,186

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Water Works System
Statement of Retained Earnings

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$ 6,782,550	$ 6,395,364
ADD Net Profit for the Year	2,291,501	387,186
Closing Balance	$ 9,074,051	$ 6,782,550

Statement of Changes in Financial Position

For the Year Ended December 31, 1985

	1985	1984
FUNDS WERE DERIVED FROM		
Current Operations		
Net Profit for the Year	$ 2,291,501	$ 387,186
ADD Expenses not requiring Cash Outlay		
Depreciation	3,768,155	3,578,213
Amortization of Foreign Exchange	1,058,069	742,854
DEDUCT Credits to Operations not involving Incoming Funds		
Interest on Sinking Fund	(1,052,495)	(887,901)
Total Funds from Current Operations	6,065,230	3,820,352
Payments from Sinking Fund Trustees		
Matured Debt	2,000,000	—
Foreign Exchange	156,678	—
Debenture Issue	1,000,000	1,000,000
General Reserve	438,025	164,857
Provincial Contributions in Aid of Construction	—	558,677
	9,659,933	5,543,886
FUNDS WERE EXPENDED FOR		
Property, Plant and Equipment	715,875	1,222,819
Payment to Sinking Fund Trustees		
Actuarial Requirements	1,953,316	1,943,316
Foreign Exchange	980,352	868,597
Debt Retired	2,723,863	501,298
Repayment of General Reserve	368,162	337,002
	6,741,568	4,873,032
Increase in Working Capital	$ 2,918,365	$ 670,854

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

December 31, 1985

1. **Significant Accounting Policies**

A. PROPERTY AND PLANT

Assets of the former City of Winnipeg and Metropolitan Corporation of Greater Winnipeg and projects constructed since January 1, 1972 are recorded at cost. The assets of the former suburban Municipalities are recorded at the amount of the outstanding liabilities. The cost of assets is not removed from the accounts when the assets are taken out of service. Therefore, the assets and accumulated depreciation are overstated. The amount of the overstatement has not been determined to date.

Watermain Renewals financed from Operations and from the Watermain Renewal Reserve have not been added to the Waterworks System Property and Plant. To date an amount of $27,635,723 has been financed from the Watermain Renewal Reserve.

B. DEPRECIATION

Depreciation is recorded on the basis of serial debt repaid, Sinking Fund installments provided, General Reserve debt retired, and interest earned on the Sinking Fund. The effect of this policy is as follows:

a) All capital assets, including the cost of land, are subject to depreciation after they are funded.

b) Projects under construction are, in certain instances, funded and depreciated prior to being placed in service.

C. FOREIGN EXCHANGE ON DEBENTURE DEBT

Unrealized exchange losses relating to the translation of long term foreign currency bond issues at the exchange rate prevailing at the balance sheet date are fully provided for in the Long Term Debt section. (See Note 4(b))

D. ACCRUAL BASIS OF ACCOUNTING

Revenue for services rendered but not billed at the end of the year is not being accrued. Other items of revenues and expenditures are accounted for on the accrual basis.

E. On February 3rd, 1982 Council approved, by resolution, the establishment of a Reserve for Watermain Replacement and that there be an annual transfer of 100% of the Water Frontage Levy revenue to the Reserve for Watermain Renewals. Amending By-law No. 3890/85 set the Water Frontage Levy at $.85 per fronting foot.

2. **Funds on Deposit with Sinking Fund Trustees**
   a) Included in this asset are deposits for foreign exchange requirements of $3,742,126.
   b) Funds on deposit for actuarial and foreign exchange requirements are credited with interest calculated at various statutory rates not exceeding the maximum rate as prescribed by The City of Winnipeg Act. If the Sinking Fund Trustees' net income for the year was allocated in proportion to total funds on deposit, an additional amount of approximately $1.6 million (1984 $1.3 million) would have accrued to the credit of the utility.

3. **Debenture Debt**
   a) All Sinking Fund Debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4½%, with the exception of the following:
      i) By-law 1586/77 — In 1977 the City of Winnipeg under By-law 1586/77 issued 10-year sinking fund debentures. The 1% levy provision as permitted under Section 304(2) of the City of Winnipeg Act would result in a sinking fund deficiency at maturity. To ensure that sufficient funds are available to retire the bonds on the due date, additional monies at present are being appropriated annually from the General Revenue Fund and/or Sinking Fund surplus to meet the annual requirement for full sinking fund provision. In 1985, the entire additional requirement of $451,780 was realized as a contribution from the Sinking Fund Trustees.
      ii) By-law 2622/80 — In 1980 the City of Winnipeg under By-law 2622/80 issued 8-year sinking fund debentures, extendible for an additional 8 years. The 5% levy provision as permitted under Section 304(2) of the City of Winnipeg Act will result in a sinking fund deficiency requiring refinancing if the debentures are redeemed at the end of 8 years. If the issue remains outstanding until 1996, a sinking fund sufficient to fully retire the issue will be available.
      iii) The following table sets out those By-Laws which as a result of the levies being provided and the terms of the issues, will result in sinking fund deficiencies requiring these issues to be refinanced at maturity.

By-Law	Year of Issue	Term of Issue	Levy
2971/81	1981	7 Years	1%
3064/81	1981	5 Years	3%
3807/84	1984	7 Years	1%
4025/85	1985	5 Years	3%

   b) All debentures are general obligations of the City. Debenture debt is allocated to the General Capital Fund and Utilities in the amounts shown in the issuing by-law.
   c) At maturity the debenture debt is payable in the following currencies:

In Canadian Dollars	$33,482,709
In United States Dollars	23,400,000
	$56,882,709

   Debenture debt issued in United States Dollars is recorded at par with the Canadian Dollar.

4. **Provision for Foreign Exchange at Maturity**
   a) Sufficient funds are on deposit with the Sinking Fund Trustees for sinking fund debenture issues payable in foreign currencies to maintain the actuarial requirements in Canadian dollars at the equivalent of the foreign currencies at the exchange rates prevailing at the balance sheet date.
   b) Debenture debt payable in foreign currencies amounted to $23,400,000 as at December 31, 1985. The foreign exchange on this liability at the exchange rate prevailing at balance sheet date totalled $9,320,220. To date $5,208,545 has been accumulated towards this contingency at maturity through the retention of exchange premiums realized on foreign currency bond issues, contributions from sinking fund surpluses and charges to current operations. The City has adopted a policy of including foreign exchange on Sinking Fund holding of U.S. securities to reduce the amount to be amortized. The exchange attributed to these investments totaled $344,740. The foreign exchange deficiency of $3,766,935 (an amount which will be recalculated annually as the requirement for such purpose may from year to year vary) has been set up as a deferred charge to be amortized over the remaining life of the related bond issues by annual charges to operations.

5. **Accounts Payable**
   Commitments totalling $ 81,598 (1984 - $93,438) were recorded in the accounts for goods and services which had not been received by the year end.

6. **Contingent Liability**
   Under the sick pay credit plan of the Waterworks System, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

7. **Consumer Rates**
   Consumer rates were increased effective January 1, 1985 as authorized by By-law 3948/85.

8. **Realty and Business Taxes**
   This expenditure includes full taxes paid to outside municipalities and to the City of Winnipeg General Revenue Fund. Taxes are assessed on property as if it were privately owned. The only exceptions to this are grants in lieu of taxes paid to the R.M. of Tache ($3,750), the R.M. of Springfield ($15,000) and the Local Government District of Reynolds ($2,500). These amounts are fixed by the City of Winnipeg Act.

9. **Amortization of Pension Fund Deficit**
   In recent years actuarial valuations have identified unfunded liabilities in various existing plans. The most recent complete valuation was as at December 31, 1982, and the majority of these liabilities were re-assessed at December 31, 1983. City Council has adopted a policy of amortizing unfunded liabilities in accordance with the Pension Benefit Act of the Province. The Waterworks System portion is as follows:

Pension Fund	Unfunded Liability As At December 31, 1985	Annual Payment	Term
Employee Benefits	$2,383,324	$274,474	to 2000
Civic	92,214	37,275	to 1988
	$2,475,538	$311,749	

10. **Changes in Accounting Treatment**
    The following changes in accounting treatment were instituted in 1985.
    a) Balance Sheet
    Work in progress is reported at actual rather than only the portion that is unfunded. As a result 1984 Property and Plant figures have been reduced by $10,226,655 and 1984 Work in Progress figures have been increased by the same amount.
    b) The method of amortization of foreign exchange has been changed to (1) include the year of maturity and (2) to reduce the amount to be amortized by the foreign exchange on Sinking Fund holdings of U.S. securities. The effect of these changes has been to reduce the charge to expenditures by $529,544. (See Note 4(b)).

Sewage Disposal System

Historical Data

Concern over rising pollution from sewage waste in the 1930's led to the establishment of the Greater Winnipeg Sanitary District in 1935. The same year saw a tri-government agreement to construct a sewage collection system and primary treatment plant which commenced operation in 1938. Major extensions to these facilities were constructed from 1954 through 1961 costing 3.6 million dollars.

The Metropolitan Corporation of Winnipeg replaced the Greater Winnipeg Sanitary District in 1961 and assumed the responsibility of treating sewage for the entire Metropolitan Winnipeg area. The next eleven years saw the construction of the West End Water Pollution Control Centre, and major revisions to the primary treatment and the addition of secondary treatment facilities at the North End Water Pollution Control Centre at an approximate cost of 17.8 million dollars.

On January 1, 1972, under the provisions of the City of Winnipeg Act, the new City assumed total responsibility for sewage disposal, including the individual delivery networks previously managed by the twelve former municipalities. During 1972, users continued to be charged at the same independent rates (based on water consumption) that prevailed in each of the former municipalities prior to unification. A schedule of rates common to the whole new City was adopted in 1973.

History was made on September 10th, 1974 with the opening of the South End Water Pollution control Centre, the first sewage treatment plant in Canada to utilize on-site generated oxygen to sustain bacterial growth in the sewage treatment process instead of vast quantities of air. Technological advances allowed staffing to be reduced from a 24 hr. - 7 day week to an 10 hr. - 5 day week. Twenty-four hour monitoring of this facility is undertaken at the McPhillips Water Pumping Control Centre.

Start-up of the South End Water Pollution Control Centre in 1974 marked the completion of a ten year plan to collect and provide secondary treatment for sewage generated in the southern part of the City. The cost of this 46 million litre per day facility, including the required sewage interceptor system, was approximately 15 million dollars.

A $2,000,000 expansion to the West End Water Pollution Control Centre was completed in late 1976. This addition was an extended aeration treatment plant with a capacity of 27 million litres per day. This plant functions along with the present lagoon system with a combined capacity 41 million litres per day.

Construction of two additional primary clarifiers at the North End Site in 1979 were the first step of a planned expansion to 827 million litres per day capacity. Improvements at the North End Water Pollution Control Centre (NEWPCC) in 1982 included the installation of equipment to improve digester performance and the purchase and installation of oxygen dissolution equipment. Additionally a contract was awarded for the supply of oxygen produced by an on-site oxygen generating plant built and operated by the supplier.

As part of the ongoing secondary process expansion, oxygen reactor tanks have been completed and the expansion of secondary clarification capacity — to 332 million litres per day (average annual) is underway. When completed in 1988 the total estimated cost for secondary process expansion works is estimated to be $44.5 million. This expansion will encrease peak secondary treatment capacity and achieve a higher standard of treatment for improved pollution control. The treatment objective is 25 milligrams per litre BOD and 30 mg/1 suspended solids at peak month operating conditions. This treatment will generate increased sludge quantities requiring treatment and disposal.

Treatment of increased sludge quantities will take place in two additional sludge digesters now being constructed at a cost of $18.2 million. These will be completed in 1987. Sludge will be dewatered in a facility to be completed in 1988. The current estimate for this dewatering facility is $13 million. However, this cost will be revised upward to accommodate requirements of the recently revised Clean Environment Commission Order.

The utility bears a share of general overhead expenses of the City as well as municipal taxes.

Statistical Information

	1985	1984
Sewage Received (million litres)	122,390.0	121,328.0
Sewage received (million litres average per day)	335.4	332.4
Kilometers of Interceptor Sewers	96.0	96.0
Kilometers of Combined Sewers	1,070.1	1,074.2
Kilometers of Sanitary Sewers	1,029.7	996.0
Kilometers of Storm Sewers	817.38	786.3
Number of Billed Sewer Services	162,330.0	157,230.0

Financial Statements follow on Pages 89 to 92.

The City of Winnipeg
Sewage Disposal System
Balance Sheet
As at December 31, 1985

Assets

	1985	1984
CURRENT ASSETS		
Cash on Hand	$ 150	$ 100
Due from General Revenue Fund	13,651,596	9,073,289
Accounts Receivable		
Province of Manitoba	798	1,337
Government of Canada	—	65
Sinking Fund Trustees	13,118	13,118
Other	255,315	72,715
	269,231	87,235
	13,920,977	9,160,624
FUNDS ON DEPOSIT WITH SINKING FUND TRUSTEES (Note 2 & 4(a))	17,133,222	14,298,275
FIXED ASSETS		
Property, Plant and Equipment (Note 1(A) & 10)	87,960,636	87,680,381
Work in Progress (Note 1(A) & 10)	11,092,600	7,388,185
	99,053,236	95,068,566
Less Accumulated Depreciation (Note 1(B))	29,506,114	26,828,650
Contributions in Aid of Construction	13,549,438	13,297,493
	55,997,684	54,942,423
DEFERRED FOREIGN EXCHANGE (Note 4(b))	2,526,727	2,085,471
	$ 89,578,610	$ 80,486,793

Liabilities

CURRENT LIABILITIES		
Accounts Payable (Note 5)	$ 2,836,037	$ 2,366,895
Accrued Liabilities	57,410	53,120
Accrued Debenture Interest	2,408,459	2,137,719
	5,301,906	4,557,734
LONG TERM LIABILITIES		
Debenture Debt (Note 3)	65,072,691	59,787,888
Provision for Foreign Exchange at Maturity (Note 1(C) & 4(b))	9,611,369	7,849,480
	74,684,060	67,637,368
Due to General Reserve Fund	1,577,103	1,670,504
	76,261,163	69,307,872
	81,563,069	73,865,606

Equity

Retained Earnings	8,015,541	6,621,187
	$ 89,578,610	$ 80,486,793

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Sewage Disposal System
Statement of Revenue and Expenditure
For the Year Ended December 31, 1985

	Budget 1985	Actual 1985	Actual 1984
REVENUE			
Sewage Services	$24,783,719	$26,112,958	$23,518,857
Frontage Taxes	944,000	946,951	936,548
Provincial Support Grant	63,000	55,913	55,713
Sewer Connection Permits	15,000	33,365	31,655
Industrial Waste Surcharges	240,000	330,616	251,870
Interest Earned	990,700	1,316,717	1,486,876
Interest Capitalized	550,000	118,993	477,628
Interest on Sinking Fund	705,283	721,518	598,970
Contribution from Sinking Fund	155,766	243,266	243,266
Miscellaneous	5,000	12,006	131,365
TOTAL REVENUE	$28,452,468	$29,892,303	$27,732,748
EXPENDITURE			
Interception and Treatment			
General Administration	$ 457,340	$ 455,647	$ 406,674
Interception and Treatment Administration	20,823	160,824	37,217
Customers Accounts	1,286,046	1,292,667	1,252,216
Electrical Maintenance/Instrumentation	330,900	300,513	264,949
Mechanical Maintenance	515,935	481,386	427,620
Civil Maintenance	—	246,014	—
Backflow Prevention	44,424	—	56,234
Interception System	958,328	954,558	919,089
North End Water Pollution Control Centre	4,705,859	4,497,846	3,228,723
South End Water Pollution Control Centre	1,073,070	971,035	964,274
West End Water Pollution Control Centre	212,000	178,951	181,753
Industrial Waste Control	143,004	144,713	136,367
Design and Engineering	712,782	636,421	693,769
Laboratory Services	362,200	341,060	342,590
	10,822,711	10,661,635	8,911,475
Collection and Sewer Service			
Administration	506,911	517,233	506,594
Sewer Maintenance	2,598,894	2,621,856	2,660,487
Sewer Renewals	327,100	301,997	128,214
Sewer Connections	300,000	80,322	71,743
	3,732,905	3,521,408	3,367,038
Debt and Finance			
Interest on Debentures	7,461,379	7,016,521	6,586,913
Depreciation	2,679,411	2,677,457	2,523,784
Foreign Exchange	1,666,700	2,601,689	2,071,865
Financial Expenses	243,200	178,270	108,074
	12,050,690	12,473,937	11,290,636
Other			
Realty and Business Taxes (Note 8)	751,000	749,045	729,179
Payroll Taxes General Government Charges, Insurance, etc	425,800	431,632	414,152
Employee Benefits	547,700	549,819	508,134
Amortization of Pension Fund Deficit (Note 9)	101,090	110,473	70,000
	1,825,590	1,840,969	1,721,465
TOTAL EXPENDITURE	$28,431,896	$28,497,949	$25,290,614
NET PROFIT FOR THE YEAR	$ 20,572	$ 1,394,354	$ 2,442,134

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

The City of Winnipeg
Sewage Disposal System
Statement of Retained Earnings

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$ 6,621,187	$ 4,179,053
ADD Net Profit for the Year	1,394,354	2,442,134
Closing Balance	$ 8,015,541	$ 6,621,187

Statement of Changes in Financial Position

For the Year Ended December 31, 1985

	1985	1984
FUNDS WERE DERIVED FROM		
Current Operations		
Net Profit for the Year	$ 1,394,354	$ 2,442,134
ADD Expenses not requiring Cash Outlay		
Depreciation	2,677,457	2,523,784
Amortization of Foreign Exchange	1,320,633	999,197
DEDUCT Credits to Operations not Involving Incoming Funds		
Interest on Sinking Fund	(637,518)	(514,970)
Total Funds from Current Operations	4,754,926	5,450,145
Debenture Issue	6,000,000	2,000,000
General Reserve	—	115,532
Contributions in Aid of Construction	251,945	—
	11,006,871	7,565,677
FUNDS WERE EXPENDED FOR		
Property, Plant and Equipment	3,984,670	10,654,970
Payments to Sinking Fund Trustees		
Actuarial Requirements	1,338,831	1,318,831
Foreign Exchange	858,599	713,292
Debt Retired	715,197	672,712
Repayment of General Reserve	93,393	85,847
	6,990,690	13,445,652
Increase (Decrease) in Working Capital	$ 4,016,181	$ (5,879,975)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

December 31, 1985

1. **Significant Accounting Policies**

A. PROPERTY AND PLANT

Assets of the former Metropolitan Corporation of Greater Winnipeg and projects constructed since January 1, 1972 are recorded at cost. Assets of the former City of Winnipeg and the former suburban Municipalities are recorded at the amount of the outstanding liabilities. The cost of assets is not removed from the accounts when the assets are taken out of service. Therefore, the assets and accumulated depreciation are overstated. The amount of the overstatement has not been determined to date.

B. DEPRECIATION

Depreciation is recorded on the basis of serial debt repaid, Sinking Fund installments provided, General Reserve debt retired, and interest earned on the Sinking Fund. The effect of this policy is as follows:

a) All capital assets, including the cost of land, are subject to depreciation after they are funded.

b) Projects under construction are, in certain instances, funded and depreciated prior to being placed in service.

C. FOREIGN EXCHANGE ON DEBENTURE DEBT

Unrealized exchange losses relating to the translation of long term foreign currency bond issues at the exchange rate prevailing at the balance sheet date are fully provided for in the Long Term Debt section. (See Note 4(b))

D. ACCRUAL BASIS OF ACCOUNTING

Revenue for services rendered but not billed at the end of the year is not being accrued. Other items of revenues and expenditures are accounted for on the accrual basis.

2. **Funds on Deposit with Sinking Fund Trustees**
   a) Included in this asset are deposits for foreign exchange requirements of $3,115,728.
   b) Funds on deposit for actuarial and foreign exchange requirements are credited with interest calculated at various statutory rates not exceeding the maximum rate as prescribed by The City of Winnipeg Act. If the Sinking Fund Trustees' net income for the year was allocated in proportion to total funds on deposit, an additional amount of approximately $1.0 million (1984 $.7 million) would have accrued to the credit of the utility.

3. **Debenture Debt**
   a) All sinking fund debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4½%, with the exception of the following:
      i) By-law 1586/77 — In 1977 The City of Winnipeg under By-law 1586/77 issued 10-year sinking fund debentures. The 1% levy provision as permitted under Section 304(2) of The City of Winnipeg Act would result in a sinking fund deficiency at maturity. To ensure that sufficient funds are available to retire the bonds on the due date, additional monies at present are being appropriated annually from the General Revenue Fund and/or Sinking Fund surplus to meet the annual requirement for full sinking fund provision. In 1984, the entire additional requirement of $243,266 was realized as a contribution from the Sinking Fund Trustees.
      ii) By-law 2622/80 — In 1980 The City of Winnipeg under By-law 2622/80 issued 8-year sinking fund debentures, extendible for an additional 8 years. The 5% levy provision as permitted under Section 304(2) of The City of Winnipeg Act will result in a sinking fund deficiency requiring refinancing if the debentures are redeemed at the end of 8 years. If the issue remains outstanding until 1996, a sinking fund sufficient to fully retire the issue will be available.
      iii) The following table sets out those By-Laws which, as a result of the levies being provided and the terms of the issues, will result in sinking fund deficiencies requiring these issues to be refinanced at maturity.

By-Law	Year of Issue	Term of Issue	Levy
2971/81	1981	7 years	1%
3064/81	1981	5 years	3%
3807/84	1984	7 years	1%
4025/85	1985	5 years	3%

   b) All debentures are general obligations of The City. Debenture debt is allocated to the General Capital Fund and Utilities in the amounts shown in the issuing by-law.
   c) At maturity the debenture debt is payable in the following currencies:

In Canadian Dollars	$40,672,691
In United States Dollars	24,400,000
	$65,072,691

   Debenture debt issued in United States Dollars is recorded at par with the Canadian Dollar.

4. **Provision for Foreign Exchange at Maturity**
   a) Sufficient funds are on deposit with the Sinking Fund Trustees for sinking fund debenture issues payable in foreign currencies to maintain the actuarial requirements in Canadian Dollars at the equivalent of the foreign currencies at the exchange rates prevailing at the balance sheet date.
   b) Debenture debt payable in foreign currencies amounted to $24,400,000 as at December 31, 1985. The foreign exchange on this liability at the exchange rate prevailing at balance sheet date totalled $9,718,520. To date $7,084,642 has been accumulated towards this contingency at maturity through the retention of exchange premiums realized on foreign currency bond issues, contributions from sinking fund surpluses and charges to current operations. The City has adopted a policy of including foreign exchange on Sinking Fund holdings of U.S. securities to reduce the amount to be amortized. The exchange attributed to these investments totaled $107,151. The foreign exchange deficiency of $2,526,727 (an amount which will be recalculated annually as the requirement for such purpose may from year to year vary) has been set up as a deferred charge to be amortized over the remaining life of the related bond issues by annual charges to operations.

5. **Accounts Payable**
   Commitments totalling $315,398 (1984 - $248,297) were recorded in the accounts for goods and services which had not been received by the year end.

6. **Contingent Liability**
   Under the sick pay credit plan of the Sewage Disposal System, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

7. **Consumer Rates**
   Consumer rates were increased effective January 1, 1985 as authorized by By-law 3947/85.

8. **Realty and Business Taxes**
   This expenditure includes full taxes paid to outside municipalities and to the City of Winnipeg General Revenue Fund. Taxes are assessed on property as if they were privately owned. The only exception to this are taxes paid on the North End Water Pollution Control Centre which are fixed at $30,000.

9. **Amortization of Pension Fund Deficit**
   In recent years actuarial valuations have identified unfunded liabilities in various existing plans. The most recent complete valuation was as at December 31, 1982, and the majority of these liabilities were re-assessed at December 31, 1983. City Council has adopted a policy of amortizing unfunded liabilities in accordance with the Pension Benefit Act of the Province. The Sewage Disposal System portion is as follows:

Pension Fund	Unfunded Liability As At December 31, 1985	Annual Payment	Term
Employee Benefits	$729,323	$83,992	to 2000
Civic	27,554	11,325	to 1988
	$756,877	$95,317	

10. **Changes in Accounting Treatment**
    The following changes in accounting treatment were instituted in 1985:
    a) Balance Sheet
    Work in progress is reported at actual rather than only the portion that is unfunded. As a result 1984 Property and Plant figures have been reduced by $1,755,527 and 1984 Work in Progress figures have been increased by the same amount.
    b) The method of amortization of foreign exchange has been changed to (1) include the year of maturity and (2) to reduce the amount to be amortized by the foreign exchange on Sinking Fund holdings of U.S. securities. The effect of these changes has been to reduce the charge to expenditures by $947,741. (See Note 4(b))

Winnipeg Ambulance Service

The Winnipeg Ambulance Service

Historical Data

Prior to 1975 Ambulance Service in Winnipeg was provided by seven private companies with 17 vehicles. The City was also served by four Fire Rescue Units and two vehicles in two Police Departments.

In total, there were 15 jurisdictions with 17 vehicles operating ambulance service within the boundaries of amalgamated Winnipeg prior to June, 1975.

In 1975, guided by the basic principle of unified services for a unified community, City Council set out to establish a single ambulance operation.

With a supporting provincial grant of $535,220 from the Manitoba Health Services Commission, the City bought out the private operators.

On June 16, 1975 the new Winnipeg Ambulance Service went into operation with 15 vehicles.

The Ambulance Service was created as a City Department on March 16, 1983 when Council adopted a report from the Ad Hoc Committee on Ambulance Service titled "Emergency Medical Services in Winnipeg" and the recommendations contained therein. The Service is responsible for providing emergency medical and stable patient transfer services within the City of Winnipeg.

OPERATIONAL DATA

The Service responded to 37,494 calls of all types in 1985, of which 10,893 were potentially life threatening emergencies (Code 4), 6,640 were urgent (Code 3), no lights or sirens. The balance were stable transfers and cancelled calls.

The Ambulance Service has a staff of 120 employees, consisting of 90 Emergency Medical Attendants, 10 Ambulance Communication Operators, 7 Supervisors, 3 Assistant Supervisors, 7 Administrative Staff, 2 Storespersons and the Director. The Service has a fleet of 22 Vehicles, consisting of 17 Ambulances, 1 Supervisory Vehicle, a Stores Van and 3 Station Wagons. The Ambulance Units are all of the module type which facilitates the removal of the patient module from the cab and chassis and remounting onto a new cab and chassis. The Service works on a three year chassis replacement and it is anticipated that the modules will be on a nine year (3 chassis) replacement schedule. The Supervisory Vehicle carries an extensive array of light extrication equipment (Jaws of Life, etc.), in addition to replacement first aid and medical supplies. The Supervisor's duties include extrication for victims trapped in motor vehicle accidents, etc.

The Ambulance Service Training Division is responsible for providing Recruit and In-Service Training for the Ambulance Service. First Responder Training to new Fire Recruits and In-Service Training to the existing First Responder group. They provided 1,447 hours of training to Ambulance Service personnel and 820 hours of training to the First Responders. In addition to the above mentioned duties the Training Division acts as a resource for, and provides day-to-day assistance to the Medical Director. The members of that division monitor quality control for all emergency calls for both Fire Department First Responders and Emergency Medical Attendants; also some cross training is provided to the Police Department to facilitate role understanding during joint responses.

Statistical Information

	1985	%	1984	%
Total Number of Emergency Calls	17,533	100.0%	23,610	100.0%
Average Response Time (minutes)	5.08		5.00	
Code 4 Calls	10,893	44.9%	11,204	47.4%
Code 3 Calls	6,640	27.4%	5,732	24.3%
Less Than 4 Minutes	5,421	49.8%	5,934	53.0%
4 — 6 Minutes	3,077	28.2%	3,008	26.8%
6 — 8 Minutes	1,285	11.8%	1,115	10.0%
Greater Than 8 Minutes	1,110	10.2%	1,147	10.2%

Financial Statements follow on Pages 95 to 97.

The City of Winnipeg
Winnipeg Ambulance Service
Balance Sheet

As at December 31, 1985

Assets

	1985	1984
Current Assets		
Cash on Hand	$ 200	$ 617
Accounts Receivable		
Individuals	335,257	283,738
Agencies	52,187	39,005
Manitoba Blue Cross	103,117	81,443
Sundry	527	—
	491,088	404,186
Less: Allowance for Doubtful Accounts	118,000	102,000
	373,088	302,186
Capital Assets		
Equipment at Cost		
Mobile (Note 2)	351,095	336,545
Communication	254,683	244,269
Furniture and Fixtures	94,406	89,192
	700,184	670,006
Less: Accumulated Depreciation and Amortization (Note 1(A))	677,496	601,082
	22,688	68,924
	$395,976	$371,727

Liabilities

Current Liabilities		
Accruals	$126,485	$116,618
Estimated Wage Adjustment Payable	—	111,379
Accounts Payable (Note 4)	55,767	36,698
Due to General Revenue Fund	191,036	38,108
Due to General Capital Fund	22,688	68,924
	$395,976	$371,727

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Winnipeg Ambulance Service
Statement of Revenue and Expenditure
For the Year Ended December 31, 1985

REVENUE	Budget 1985	Actual 1985	Actual 1984 (Note 5)
Ambulance User Fees			
Emergency Services	$1,900,000	$1,969,487	
Transfer Services	380,000	354,628	
	2,280,000	2,324,115	$2,064,464
Appropriation from General Levy	2,633,907	2,432,323	2,538,988
Province of Manitoba			
Per Capita Grant	988,101	991,170	959,321
Support Grant	58,305	56,941	54,803
Per Capita Fees - Municipalities	—	49,757	35,087
Bad Debt Recoveries	9,750	9,911	8,327
Other	—	1,984	23,677
	$5,970,063	$5,866,201	$5,684,667
EXPENDITURE			
Operations			
Emergency Services	$3,445,635	$3,471,610	
Transfer Services	421,828	406,749	
Communications	575,307	576,055	
Training	292,499	228,618	
Stores	56,119	55,711	
	4,791,388	4,738,743	$4,678,031
Administration	354,803	372,292	315,608
Corporate			
Employee Benefits	479,610	413,339	389,932
Debt and Finance	265,957	263,670	230,603
Payroll Tax	58,305	59,752	54,753
Insurance and Claims	20,000	18,405	15,740
	$5,970,063	$5,866,201	$5,684,667

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Winnipeg Ambulance Service
Notes to the Financial Statements

December 31, 1985

1. **Significant Accounting Policies**

   A. CAPITAL EQUIPMENT

   Capital assets financed by The City of Winnipeg - Capital Fund are amortized based on the principal repayment. Other capital assets are fully depreciated in the year of purchase

   B. OPERATING SUPPLIES

   All operating supplies are written off as operating expenses in the year acquired.

   C. ACCRUAL BASIS OF ACCOUNTING

   Revenue and expenditure are accounted for on the accrual basis.

2. **Mobile Equipment**

   Mobile equipment includes only equipment on vehicles. All vehicles were transferred to the Equipment and Material Services Division in 1980. The Winnipeg Ambulance Service now pays the Equipment and Material Services Division for the use of the vehicles.

3. **Contingent Liability**

   Under terms of The Winnipeg Ambulance Service Union Agreements, certain employees are entitled to cash payments for unused sick leave credits upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for these sick leave credits has not been determined. Payments will be charged to operations in the year incurred.

   In addition under the terms of the Union Agreements, permanent employees, upon resignation from the Winnipeg Ambulance Service shall be entitled to a cash payment for his/her unused accumulated sick credits to his/her standing as of January 1, 1980, in an amount equivalent to 50% of the amount as calculated within the cash out provisions. The cash payment is calculated at the rate at which it was accumulated. No provision is made for the liability until the time of resignation or lay off. As of December 31, 1985, this liability is estimated at $73,723.

4. **Accounts Payable**

   Commitments totalling $18,332 (1984 - $29,569) were recorded in the accounts for goods and services which had not been received by the year end.

5. **Reclassification of Revenue and Expenditure**

   For purposes of comparison, revenue and expenditure for the year ended December 31, 1984 have been reclassified, where feasible, to conform to the presentation of revenue and expenditure for the year ended December 31, 1985. However, the subclassifications of Ambulance User Fees Revenue and Operations Expenditure used to identify 1985 results could not readily be determined for the year ended December 31, 1984.

Auditors' Report

To Mr. I.G. Macpherson
Manager
Emergency Health & Ambulance Services
Manitoba Health Services Commission

I have examined the balance sheet of The City of Winnipeg, Winnipeg Ambulance Service as at December 31, 1985 and the statement of revenue and expenditure for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all of the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg, Winnipeg Ambulance Service as at December 31, 1985 and the results of its operations for the year then ended in accordance with accounting principles as described in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

L.G. Drake

Chartered Accountant
And City Auditor

Winnipeg, Manitoba
May 7, 1986

Cadillac Fairview model, Edmonton Court

Winnipeg Municipal Hospitals

The Municipal Hospital Commission of The City of Winnipeg

Historical Data

Hospital Service as a civic utility dates back to January, 1911, when the old Beath Maternity Hospital, on Bannatyne Avenue, was bought for the care and treatment of Scarlet Fever prevalent at that time.

A temporary building was then constructed for cases of Pulmonary Tuberculosis on a hospital site which the City had acquired in Riverview and to which the first patient was admitted in June, 1911. Afterwards followed the construction of permanent accommodation for these cases, and in July, 1912, the King Edward Memorial Hospital was ready for occupancy.

Subsequently the King George Hospital was opened in February, 1914, for all acute communicable diseases excepting Smallpox and in October, 1921, the care of Smallpox was also taken over, so that facilities for the care and treatment of all communicable diseases were then available.

On November 2nd, 1937, the McKittrick Tuberculosis Clinic erected from funds bequeathed by the late Martin T. McKittrick, was put in operation although not officially opened until June 1st, 1938, by the Reverend Sister Edith Patricia, daughter of the donor.

Construction was commenced on May 27th, 1947, of a 208-bed institution on the Municipal Hospital grounds, to provide hospital care for chronically ill patients and by Royal assent was named the Princess Elizabeth Hospital. On December 15th, 1950, the first patients were admitted for treatment.

With the intensive preventive measures of the Tuberculosis control campaign showing remarkable results and aided by the discovery of new antibiotics, it was found unnecessary for the City to continue to remain in this treatment field and effective July 1st, 1954, this service was transferred to the Sanatorium Board of Manitoba and the King Edward Memorial Hospital was replanned to provide more chronic beds to release the pressure on the Princess Elizabeth Hospital.

Renovation was commenced on November 15th, 1954, and completed late in 1955. As a result of this replanning, 124 additional chronic beds were available for use early in 1956.

The capacity in the King George Hospital for the treatment of acute communicable diseases, including the area respirator centre, was also adjusted in 1955, to provide for new Administrative offices and beds were reduced from 200 beds to 171.

On December 31st, 1967, the Infectious Disease Service was terminated due to the very low incidence of acute communicable diseases. By agreement reached with all area hospitals, future hospital requirements will be met by dispersing patients to special facilities established on the Unicity area acute service wards. This method of care has been endorsed by the City of Winnipeg as well as the Province of Manitoba health authorities.

As a result of this change in policy a reappraisal of beds available for treatment purposes was made and the following is the revised capacity of all three units.

King George Hospital (Respirator and extended treatment)	84 beds
King Edward Memorial Hospital (extended treatment)	106 beds
Princess Elizabeth Hospital (extended treatment)	160 beds
	350 beds

A Home Care Program established as a trial project in mid 1965 proved to be a success and now functions as an organized department. Eighty (80) patients were in receipt of this service at the fiscal year end.

During 1955 a new policy of the Provincial Government was announced to take effect January 1st, 1956. By this, all hospitals in Manitoba were inspected by a Statutory Rate Board to determine the cost of services in each hospital and a daily rate assigned accordingly.

This superseded all prior legislation covering per diem grants and statutory ward rates and following approval by the Legislature in 1956, constituted part of the revised Hospital Aid Act of Manitoba. On July 1st, 1958, a further change took place when the Manitoba Hospital Services Plan came into effect. This form of compulsory province-wide prepaid hospital insurance is intended to promote an integrated system of hospital and related health facilities on a free basis at standard ward levels to all legal residents of Manitoba. The Manitoba program is a part of the Federal Government's universal health plan which was under promotion for many years.

Since 1962, the Board and Administration of the Winnipeg Municipal Hospital have been planning for new and renovated facilities to meet the ever-increasing demand for extended care service. In 1980, approval was received from the Manitoba Health Services Commission to proceed with the development of a functional program and initial planning for a service building to accommodate designated service departments of the Hospital, together with renovations to specific areas of the King George Hospital. This new building, called the Day Hospital, dedicated to former Mayor Robert Ashley Steen, was officially opened by Her Honor Pearl McGonigal, September 14th, 1983, assisted by Mayor Wm. C. Norrie and Mrs. Robert Steen. It is a modern facility equipped to offer an enriched program of therapy and socialization to 50 patients per day. At present 25 - 30 patients are enrolled in this program.

In 1983 the Manitoba Health Services Commission approved the hospital's project for redevelopment of the Municipal Hospital.

Statistical Information*

	1985	1984
Patients Admitted—		
Chronic Service	743	623
Respirator Service	22	22
Average Stay of Patients (Days)—		
Chronic Service	155	169
Respirator Service	185	257.3
Days of Treatment Given	119,233	125,441
Average Number of Patients in Hospital	327	343
Average Number of Employees	655	651

*It should be noted that the statistics shown relate to the periods April 1st, 1983 to March 31st, 1984 and April 1st, 1984 to March 31st, 1985.

Financial Statements follow on Pages 101 to 104.

The Municipal Hospital Commission of The City of Winnipeg Plant Fund Balance Sheet

As at March 31, 1985

Assets

	1985	1984
PROPERTY AND PLANT - At Cost (Note 2)	$ 6,946,037	$ 4,822,108
Less Accumulated Depreciation	3,324,266	3,205,877
	3,621,771	1,616,231
Projects under Construction	3,626,871	3,982,425
	7,248,642	5,598,656
DUE FROM THE CITY OF WINNIPEG GENERAL REVENUE FUND		
Depreciation Fund	192,479	248,016
Improvement and Replacement Fund	188,255	171,857
	380,734	419,873
	$ 7,629,376	$ 6,018,529

Liabilities And Capital

CAPITAL INVESTED IN PLANT	$ 1,908,361	$ 1,931,443
DUE TO THE CITY OF WINNIPEG GENERAL CAPITAL FUND	3,715,540	2,053,386
DUE TO THE CITY OF WINNIPEG GENERAL RESERVE FUND (Note 1(b))	2,005,475	2,033,700
	$ 7,629,376	$ 6,018,529

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To the Chairman and Members
The Municipal Hospital Commission
of The City of Winnipeg

I have examined the Revenue Fund and Plant Fund balance sheets of The Municipal Hospital Commission of The City of Winnipeg, as at March 31, 1985 and the statements of revenue and expenditure, surplus, capital invested in plant and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of the commission as at March 31, 1985 and the results of its operations for the year then ended, in accordance with accounting principles described in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
November 27, 1985

The Municipal Hospital Commission of The City of Winnipeg Revenue Fund Balance Sheet

As at March 31, 1985

Assets

	1985	1984
CASH	$ 400	$ 400
ACCOUNTS RECEIVABLE		
Manitoba Health Services Commission	784,311	441,881
Other	153,024	110,421
	937,335	552,302
Less: Allowance for Doubtful Accounts	27,932	19,301
	909,403	533,001
MATERIALS AND SUPPLIES, AT COST	375,808	300,932
PREPAID EXPENSES	83,969	11,065
	$1,369,580	$ 845,398

Liabilities

DUE TO THE CITY OF WINNIPEG GENERAL REVENUE FUND	$ 816,514	$ 301,422
ACCRUED SALARIES PAYABLE	73,477	107,288
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	268,721	250,362
	1,158,712	659,072
SURPLUS	210,868	186,326
	$1,369,580	$ 845,398

Parking Lot Operations Statement of Revenue and Expenditure

For the Year Ended March 31, 1985

REVENUE	1985	1984
Parking Fees	$ 49,672	$ 47,012
EXPENDITURE		
Power	3,500	3,000
Miscellaneous	336	399
	3,836	3,399
NET GAIN	45,836	43,613
Transfer to Improvement Replacement Reserve Fund	20,363	—
SURPLUS	$ 25,473	$ 43,613

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The Municipal Hospital Commission of The City of Winnipeg
Statement of Revenue and Expenditure

For the Year Ended March 31, 1985

	Budget 1985	Actual 1985	Actual 1984
REVENUE			
Manitoba Health Services Commission			
In-Patients	$19,590,672	$19,590,672	$18,112,920
Out-Patients	562,128	562,128	534,456
	20,152,800	20,152,800	18,647,376
Authorized Charges	440,370	515,918	413,749
Other Patient Care	35,548	18,659	21,473
Dietary	168,500	168,629	162,846
Sale of Drugs	239,000	238,963	159,492
Sundry	12,700	12,705	25,705
Interest	5,000	5,000	5,000
Rentals	6,000	7,190	3,281
Employment Projects	—	44,834	—
	21,059,918	21,164,698	19,438,922
EXPENDITURE			
General Administration	$ 3,377,565	$ 3,776,848	$ 3,211,132
Care of Patients	12,199,908	12,168,464	11,459,127
General Services	3,818,439	3,911,648	3,661,894
Maintenance of Plant	1,336,736	1,406,753	1,287,984
Depreciation	69,970	69,086	100,625
Interest on Long Term Loans	257,300	257,326	77,042
	$21,059,918	$21,590,125	$19,797,804
Deficit	$ —	$ 425,427	$ 358,882

Revenue Fund
Statement of Surplus

For the Year Ended March 31, 1985

		1985	1984
Opening Balance		$ 186,326	$ 143,567
ADD	Deficit from Current Operations	(425,427)	(358,882)
	Estimated M.H.S.C. Adjustment	425,427	358,882
	Surplus on Parking Lot Operations	25,473	43,613
		211,799	187,180
DEDUCT	Prior Year's Costs Disallowed by MHSC	932	854
Closing Balance		$ 210,867	$ 186,326

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The Municipal Hospital Commission of The City of Winnipeg — Plant Fund Statement of Capital Invested in Plant

For the Year Ended March 31, 1985

		1985	1984
Contributed Services, Donations and Miscellaneous Income		$ 125,166	$ 128,250
		125,166	128,250
DEDUCT	Cost of Services Rendered by the Princess Elizabeth Guild	2,315	5,716
	Depreciation of Assets Purchased with Federal Government Grants	11,014	10,457
	Depreciation of Assets not Funded by MHSC	77,778	12,256
	Purchases	57,141	72,700
		148,248	101,129
	Increase (Decrease) in Capital Investment	(23,082)	27,121
ADD	Opening Balance	1,931,443	1,904,322
Closing Balance		$ 1,908,361	$ 1,931,443

Statement of Changes in Financial Position

For the Year Ended March 31, 1985

		1985	1984
FUNDS WERE DERIVED FROM			
Operations			
	Statement of Capital Invested in Plant	$ (23,082)	$ 27,121
ADD	Depreciation of Assets Purchased with Federal Government Grants	11,014	10,457
	Depreciation of Assets not Funded by M.H.S.C.	77,778	12,256
		65,710	49,834
	Allowance for Depreciation Paid by M.H.S.C.	69,087	100,625
	Long Term Debt	—	2,033,700
		134,797	2,184,159
FUNDS WERE EXPENDED FOR			
	Projects Under Construction	1,678,146	1,428,657
	Purchase of Furniture and Equipment	103,796	117,819
	Repayment of Long Term Debt	44,216	14,090
	Prior Year's Purchases	25,923	—
		1,852,081	1,560,566
Increase (Decrease) in Working Capital		$ (1,717,284)	$ 623,593

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a) No statutory requirements exist but The Municipal Hospital Commission uses the Canadian Hospital Accounting Manual.
   b) Plant Fund assets are depreciated on a straight line basis over their estimated useful life except for the following:
   — Fire Protection renovations costing $183,236 with an estimated useful life of 25 years but are being amortized commencing in 1980, over a period of 10 years being the term of the long term loan from The City of Winnipeg Capital Fund.
   — A part of the capital cost of the Day Hospital construction in the amount of $2,033,700 has been financed from The City of Winnipeg General Reserve Fund. The building has an estimated useful life of 40 years but is being amortized over a period of 20 years being the term of the long term loan from the Reserve Fund.
   c) The hospital is eligible to make application to the Manitoba Health Services Commission for the recovery of any deficit arising from approved expenses over revenue.
2. Property and Plant at cost includes $1,251,879 of fully depreciated facilities.
3. Under the sick pay credit plans for certain employees of The Municipal Hospital Commission, unused sick leave credits accumulate and employees with specific minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined at the end of the year.
   In addition, unused annual holidays for certain key employees is estimated at $33,500.
4. Recent negotiated improvements in pension benefits effective in 1983 have resulted in additional liabilities of $2,041,700. The liability is to be amortized over a period of 17 years with annual payments of $255,600. On March 4, 1985, the first installment of $255,600 plus accumulated interest of $4,447 was made. The Health Services Commission considers it has no obligation to fund the pension liability.
5. Equipment required for the dietary tray servery system was purchased in the fiscal year ended March 31, 1985 and was originally charged as an expense to be offset by staff savings as approved by MHSC. As the installation could not be completed until late in the fiscal year, the cost of this equipment has been deferred to 1985/86 operations.

Corporations:
Convention Centre
Winnipeg Enterprises

The Convention Centre Corporation

This Corporation carries on activities under the Convention Centre Act having for its purpose the construction, operation and promotion of a Convention Centre in the City of Winnipeg.

The Winnipeg Convention Centre, located in the block bounded by St. Mary and York Avenues, Carlton and Edmonton Streets, and built at a cost of $23.7 million officially opened its doors for business on January 15, 1975. It was one of the biggest events of its kind that any Canadian city has ever seen. Sixteen hundred performers entertained five thousand invited guests from all over North America in the traditional multi-cultural style for which Winnipeg is famous. After eleven years of operation, the facility has been the site of Provincial, Canadian and American national conventions and world congresses, together with major national and international trade shows, sporting activities, theatrical events and some of the largest sit-down dinners ever hosted under one roof in Canada. Since the facility opened, an estimated $207 million has been spent in Winnipeg by delegates attending conventions.

The Centre has 117,000 square feet of meeting and exhibition space, a 600-seat movie theatre, restaurants, stores, boutiques, underground parking for 520 cars and can handle 7,200 people for special events.

The main exhibition hall can be divided into two separate areas of 50,000 and 28,000 square feet by moving partition walls. This space is utilized for trade shows, the performing arts, festival-type shows, large conventions and dinners. A portable sports floor allows the centre to accommodate spectator sporting events. One of the hall's outstanding features is it's 2,500 seats on risers, which can be telescoped against the wall when not in use. The ground floor contains over 21,300 sq. ft. of meeting room space, for one enormous meeting room seating 2,700 people, theatre style. The area also divides into 13 separate meeting rooms and additional 6 private salons. A portable dance floor transforms the ground floor meeting room into a supper-dance banquet area for more than 1,700 people. A full service kitchen and cocktail lounge are also on this floor.

The second floor has a 600-seat theatre. The theatre is available to conventions, professional and trade groups and can be used for audio and visual presentations. The Shopping Plaza located on this floor comprises approximately 13,000 square feet of rental space occupied by a variety of shops, restaurants and services for the conventioner. The Garden Terrace Cafeteria, located on this floor, is operated by The Winnipeg Convention Centre. Renovations to the second floor, which will be completed in 1986, will provide an additional area in excess of 12,000 square feet of rental space for meetings, banquets, and private/public shows. This floor is connected by pedestrian crosswalks to the Holiday Inn and Lakeview Square.

The third floor has floor space equivalent to 70 average homes, is pillar free and has a 30 foot high open grid ceiling which can accommodate exhibits of up to fifty feet in height. Ramp access to the third floor loading dock allows up to 7 semi-trailers to unload simultaneously. The 21,000 square foot dock area may also be utilized expanding the total available space to almost 100,000 square feet on one floor.

The Centre has multi-lingual translation equipment capable of handling six languages simultaneously. It is wired for sound and closed circuit T.V. security, controlled from a central control room. Escalators and elevators provide adequate transportation between floors.

The Convention Centre is administered by a 13-member Board of Directors consisting of His Worship the Mayor, 3 City Councillors, the Commissioner of Finance (or his designate) and eight citizen members appointed at large.

Auditor's Report

To the Members of
The Convention Centre Corporation

We have examined the balance sheet of The Convention Centre Corporation as at December 31, 1985 and the statement of revenue and expenditure and surplus and reserve for captial replacements for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Corporation as at December 31, 1985 and the results of its operations for the year then ended on the basis of accounting described in note 1 to the financial statements applied consistently with that of the preceding period.

Thorne Riddell
Chartered Accountants

Winnipeg, Canada
February 21, 1986

The Convention Centre Corporation
(Incorporated by Special Act under the laws of Manitoba)

Balance Sheet as at December 31, 1985

Assets

	1985	1984
CASH	$ 696,913	$ 453,149
PENSION PLAN FUNDS ON HAND (Note 2)	—	178,143
ACCOUNTS RECEIVABLE	263,712	373,948
OPERATING GRANT RECEIVABLE, City of Winnipeg	—	372,000
CAPITAL PROJECT GRANT RECEIVABLE, Destination Manitoba (Note 3)	283,066	—
INVENTORY, at cost	106,132	111,912
PREPAID EXPENSES	65,902	46,935
	$1,415,725	$1,536,087

Liabilities and Surplus

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	$ 666,811	$ 649,359
PENSION PLAN ACCRUAL (Note 2)	—	178,143
CUSTOMER DEPOSITS	100,508	71,022
RESERVE FOR CAPITAL REPLACEMENTS (Note 4)	178,296	127,097
SURPLUS	470,110	510,466
	$1,415,725	$1,536,087

Approved by the Board

K. Galanchuk _____ Director

R. Mathes _____ Director

Statement of Reserve for Capital Replacements

	1985	1984
Balance at beginning of year	$ 127,097	$ 273,000
Allocation for future capital replacements	72,000	72,000
	199,097	345,000
Capital replacements charged to reserve	63,129	217,903
	135,968	127,097
Proceeds from sale of equipment	42,328	—
BALANCE AT END OF PERIOD	$ 178,296	$ 127,097

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The Convention Centre Corporation
Statement of Revenue and Expenditure and Surplus
For the Year Ended December 31, 1985

	1985	1984
Operating revenue	$5,195,697	$5,952,095
Operating costs	2,046,541	2,680,172
Revenue from operations	3,149,156	3,271,923
Operating grant, City of Winnipeg	750,000	729,000
Capital improvement grant, Destination Manitoba (Note 3)	283,066	—
	4,182,222	4,000,923
Expenditure		
Accounting and financial services	285,304	272,727
Administration	251,583	256,926
Allocation for future capital replacements	72,000	72,000
Building maintenance	2,039,238	1,840,629
Capital improvements	471,777	—
Event setup	95,897	94,432
Food and beverage	229,296	287,614
Sales and promotion	449,443	462,156
Security	366,926	334,108
	4,261,464	3,620,592
Excess of revenue (expenditure) before the undernoted items	(79,242)	339,331
Reversal of pension plan accrual (note 2)	178,143	—
Tenth year anniversary costs	(139,257)	—
	38,886	—
EXCESS OF REVENUE (EXPENDITURE)	(40,356)	339,331
Surplus at beginning of year		
As previously reported	551,466	171,135
Adjustment for prior year hydro costs (note 6)	41,000	—
As restated	510,466	171,135
SURPLUS AT END OF YEAR	$ 470,110	$ 510,466

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The Convention Centre Corporation
Notes to Financial Statements

Year Ended December 31, 1985

1. ACCOUNTING POLICIES

Basis of presentation

The accompanying financial statements are prepared in accordance with generally accepted accounting principles with the following exceptions:

(a) Fixed assets funded out of operations are not capitalized.

(b) The Corporation provides a reserve annually out of operations for future major capital replacements.

The construction of The Convention Centre was carried out by the City of Winnipeg. Under Section 9(1) of The Convention Centre Corporation Act, the ownership of The Convention Centre shall, on a date fixed by the Council of the City of Winnipeg, become vested in the Corporation.

2. PENSION PLAN

The Corporation had been advised, through actuarial valuations in 1981 and 1984, that a surplus existed in the Corporation's employee pension plan. The Corporation to December 31, 1984 continued to accrue its liability to the plan and had set aside in a special account the funds required to be contributed pending determination by the Board of Directors of the disposition of the surplus.

In 1985, the Board resolved that the surplus would be utilized to reduce the required employer current service contributions for the years 1985 to 1987 inclusive. In addition, the Board reappropriated the funds in the special account and reversed the liability accrued to the pension plan with the reversal being recorded as an unusual item in the statement of revenue and expenditure.

3. CAPITAL IMPROVEMENT GRANT, Destination Manitoba

The Corporation has received approval for a grant from Destination Manitoba to fund 60% of the approved capital costs of eligible projects to a maximum grant of $600,000. At December 31, 1985 an amount equal to 60% of project costs incurred to date have been recorded as receivable.

The Corporation may be required to repay any assistance received if it does not comply with the conditions of its agreement with Destination Manitoba. The Corporation expects to comply with all conditions of this agreement.

4. RESERVE FOR CAPITAL REPLACEMENTS

During the year, the Board approved a capital budget for 1985 of $228,227. Of this amount, capital items totalling $63,129 were purchased in the year and charged to reserve. The remaining items approved in the budget, totalling $165,098, are to be undertaken and completed in 1986 and represent parkade floor repairs, the rekeying of the building and the purchase of a steam boiler and cash registers.

5. COMMITMENT

The Corporation has made a commitment of $125,000 to complete the enlarging of the permanent meeting room area.

6. ADJUSTMENT FOR PRIOR YEAR HYDRO COSTS

A meter defect caused incorrect hydro readings and billings for the period July 1985 to August 1985. The Corporation has accrued in the accounts at December 31, 1985 additional hydro costs, estimated at $120,000 for the period noted above. Of this amount, $41,000 is applicable to the period prior to January 1, 1985 and building maintenance expenditure for 1984 has been restated to reflect this adjustment.

Winnipeg Enterprises Corporation

The Winnipeg Enterprises Corporation was incorporated on July 26, 1952, for the purpose of constructing, maintaining and operating, such facilities as now exist, namely the Winnipeg Stadium, Winnipeg Arena and Velodrome. On November 5, 1975, the Corporation was charged with the responsibility of the management and operation of The Highlander Sportsplex facility. The Corporation is carried on without the purpose of gain for its members. Any profits or other accretions to the Corporation are used in promoting its objects and no part of the income of the Corporation is payable to, or otherwise available for the personal benefit of, any member as such of the Corporation. The City of Winnipeg owns all of the lands on which these facilities stand and leases these lands to the Corporation for the sum of $1.00 per year. By virtue of certain agreements entered into between the Corporation and the City, the City is entitled to require the Corporation at any time on thirty days notice to convey to it all facilities and assets, funds, contracts and undertakings of the Corporation as a going concern and to turn over possession thereof to the City or its nominee without receiving any consideration therefor.

The objects of this Corporation are to carry on activities having for their purpose civic improvement, pleasure or recreation and be of a sporting or community character or the like, i.e., build, promote, establish, own, maintain, organize, operate, conduct, and manage an athletic stadium and other buildings and facilities for the conduct of sporting and other activities of all kinds.

The seating capacity of the above mentioned facilities are as follows, namely:

Winnipeg Stadium:	
Football	33,000
Winnipeg Arena	15,500
Velodrome	3,000

The affairs of the Corporation are administered by a Board of Directors consisting of 8 councillors, the Chief Commissioner of The City of Winnipeg and eight members appointed from the citizens at large for 2-year terms.

No person serving as a Director on the Board receives remuneration for their services.

During 1985 the sports facilities accommodated the professional National Hockey League Winnipeg Jets, the Winnipeg Blue Bombers football club, numerous minor league hockey, football, ice shows, curling, circuses, pro-wrestling, concerts and arena cross. Total attendance of all events at the arena, stadium, curling club and velodrome approximated 1.7 million.

Winnipeg Enterprises Corporation
(Incorporated by Special Act of the Province of Manitoba)
Balance Sheet

As at May 31, 1985

Assets

	1985	1984
Current Assets		
Cash	$ 402,283	$ 738,854
Accounts receivable	878,700	606,503
Inventories	26,091	15,887
Prepaid expenses	8,166	6,875
Total Current Assets	1,315,240	1,368,119
Deferred Receivables	738,750	836,250
Fixed Assets — at cost		
The Winnipeg Stadium, Winnipeg Arena, Velodrome, The Highlander Sportsplex and all equipment	24,928,068	24,109,056
	$26,982,058	$26,313,425

Liabilities, Reserves and Surplus

Current Liabilities		
Bank Loan	$ 47,000	$ 71,000
Accounts payable and accrued charges	247,684	312,868
Accrued debenture interest	150,613	170,610
Sinking fund payment due June 15	47,814	47,814
Debenture principal payments due within one year	765,000	690,000
Total Current Liabilities	1,258,111	1,292,292
Unearned Income	—	167,500
Long-Term Debt	5,934,029	6,779,967
Reserves for Major Improvements	864,679	1,049,024
Contributed Funds	18,804,273	16,963,347
Retained Surplus	120,966	61,295
	$26,982,058	$26,313,425

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Approved by the Board

L.B. Fleisher _____ Chairman

Winnipeg Enterprises Corporation
Statement of Revenue and Expenditures

For the Year Ended May 31, 1985

	1985	1984
Revenue	$4,393,782	$4,149,459
Expenses		
Maintenance and operating	1,730,981	1,485,093
Administration	444,494	409,211
	2,175,475	1,894,304
Revenue from operations	2,218,307	2,255,155
Interest on long-term debt	726,041	861,573
Revenue before appropriations	1,492,266	1,393,582
Appropriations for long term debt and major improvements	1,420,645	1,332,287
Revenue after appropriations	$ 71,621	$ 61,295

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditors' Report

To the Chairman and Members of the Board
Winnipeg Enterprises Corporation

We have examined the balance sheet of Winnipeg Enterprises Corporation as at May 31, 1985 and the statements of revenue and expenses, reserves for major improvements, contributed funds and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

These financial statements are presented on the basis of accounting described in Note 1 to the financial statements which differs from generally accepted accounting principles followed in a commercial business.

In our opinion, subject to the foregoing, these financial statements present fairly the financial position of the Corporation as at May 31, 1985 and the results of its operations for the year then ended in accordance with the basis of accounting described in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Janzen, Knowles & Warkentin
Chartered Accountants

Winnipeg, Canada
September 24, 1985

Note to the Financial Statements

1. **Accounting Policies:**

The Corporation is a quasi-governmental entity with various aspects of its financing and operations being subject to control by the City of Winnipeg. Consequently certain accounting principles generally accepted in commercial businesses are not appropriate for the Corporation.

a) Although the Corporation has no equity interest in the Velodrome and Highlander Sportsplex fixed assets, as a matter of record their cost is included in fixed assets, wholly offset by amounts included in contributed funds.

b) Additions to fixed assets not financed by long-term debt or current operations are charged to the respective reserves for major improvements. Amounts equal to the cost of all additions are capitalized as fixed assets, offset by credits to contributed funds.

c) Interest costs incurred on debenture issues or other forms of financing prior to the date of useful service of the related capital addition are expensed.

d) Losses and gains on disposition of fixed assets are the difference between proceeds and cost and are charged or credited to the surplus account. If any portion of the funds provided by others can be identified as applicable to the disposed assets, such amount is credited to surplus.

e) Fixed assets are not depreciated or otherwise amortized.

f) Sinking fund payments are due on June 15 and are appropriated from the net revenue of the fiscal year ending May 31 prior to the due date. Principal repayments of the other debentures issued are to be appropriated from net revenue in the fiscal year in which the payments are made.

g) In all other respects generally accepted accounting principles are followed.

Pension Funds

Employee Benefits Program — The City of Winnipeg

Effective the first pay period of 1976, a new Benefits Program providing pension and life insurance benefits was established for all employees of the City of Winnipeg other than employees of the Police Sector. A separate plan has been established for employees in the Police Sector.

Each employee of the City who is a member of an existing municipal pension plan was given the choice of continuing to accumulate benefits under the existing plan or of joining the new Benefits Program. All new employees become members of the new Program when they complete the eligibility requirements.

The new Employee Benefits Program is administered by an Employee Benefits Board of 11 persons and is comprised of five representatives of the members of the Program; an equal number of representatives appointed by City Council, at least two of which are members of Council and the others senior civic administrators or citizens experienced in the operation of other employee benefit programs; and the Commissioner of Finance or his designate who is a member of the Program.

Employees contribute 6½% of C.P.P. earnings plus 7½% of earnings in excess of C.P.P. earnings. The City contributes the amount required each year over and above the employees' contributions to provide the benefits expected to accumulate each year. The City's contribution is at least equal to the employees' required contributions.

The plan provides for optional retirement after five years of service and age 55, or 30 years of service. The pension formula is equal to 1.4% of average C.P.P. earnings for highest 7 of the final 10 years plus 2% of average earnings in excess of C.P.P. earnings for the same period, multiplied by the number of years of credited service after the date the Program is implemented.

Disability pensions are based on credited service at time of disability plus service to age 65, payable to employees who are totally or partially disabled. If the employee is totally disabled the pension from this Program plus pensions payable from a prior municipal plan and Canada Pension Plan will equal at least 60% of salary at date of disablement. Pensions are also payable to the survivors of employees who die prior to, or after retirement.

Pension Funds of Former Area Municipalities

CIVIC PENSION FUND OF THE FORMER CITY OF WINNIPEG

Until 1920 the City had no comprehensive pension scheme. The By-law in force at that time provided for the payment of certain pensions, but these were on a non-contributory basis. It was considered that a contributory scheme would be much sounder and should be inaugurated. By-law No. 10020 was accordingly passed in 1920 setting up a pension fund on a contributory basis. All matters arising out of this By-law were dealt with by a Committee of Council with the exception of the investments which were under the control of the Sinking Fund Trustees.

In 1936 By-law No. 14813 was passed and provided that in place of a Committee of Council administering the Fund, a Pension Board be constituted comprising five members—two Councillors appointed by Council, two elected representatives of the employees and a member of the Civic Pension Fund delegated by the Commissioner of Finance—and that the investment of the Fund continue to be under the control of the Sinking Fund Trustees.

On December 3, 1975, City Council passed By-law No. 1125/75 establishing the new "Employee Benefits Program" and contributors to the Civic Pension Plan were given the opportunity of joining the new program. Police Officers represented by the Winnipeg Police Association and by the Senior Police Officers Association elected to remain in the Police Sector of the Civic Pension Plan. Of the balance of contributors only 69 elected to continue to contribute to the Civic Pension Plan.

On December 17, 1980, Council passed By-law 2819/80 making the Civic Pension Plan benefits compatible with those of the Employee Benefits Program, with no significant effect on the liabilities of the Civic Pension Fund.

OLD POLICE PENSION FUND OF THE FORMER CITY OF WINNIPEG

In 1910 legislation was obtained for the establishment of a pension fund for employees of the Police Commission, but such legislation was implemented only to the extent of passing the necessary regulations; no fund was actually established.

The employees subject to the regulations of 1910 refused, when the Civic Pension Fund was established in 1921, to surrender the apparently larger benefits receivable under the original scheme and were not, therefore, included in the general fund. A compromise was, however, effected in 1929, when the Police employees agreed to contribute a percentage of their salaries to a special fund, the City agreeing at the same time to contribute a like amount, together with an additional amount each year of one-eighth of a mill on the realty assessment. Effective January 1, 1967, the special contribution one-eighth of a mill on the assessment was adjusted to $30,000.00 each year until the Actuary certifies that the Fund is actuarially solvent. Following his actuarial valuation as at December 31, 1972, the Actuary recommended that the City contribute $2,500.00 per month for the thirteen months following the valuation date.

There is 1 member receiving pensions with no contributors to the Fund.

NEW POLICE PENSION FUND

On December 20, 1978, City Council passed By-Law No. 2148/78 establishing the new "Winnipeg Police Pension Plan." The provisions of the By-Law were retroactive to December 21, 1975. All police employees who were members of a prior municipal pension plan were required to become members of this Plan. All new police employees become members of this Plan when they complete the eligibility requirements. This Plan is presently being administered by the Civic Pension Board plus 2 additional members—1 appointed by City Council and 1 appointed by the Police Associations.

Police employees contribute 7.305% of earnings. The City contributes the amount which is necessary each year, over and above the contributions required to be made by Contributing Members, to provide the benefits which are accumulated as a result of Service during that year. The Plan provides for retirement at age 60 and optional retirement after 25 years of service or at age 55 or older.

The pension formula for a retired employee age 65 or older is 1.4% of average Canada Pension Plan in the 60 consecutive months in which earnings are the highest, plus 2% of average earnings in excess of Canada Pension Plan earnings for the same period, multiplied by the number of years of credited service While a retired employee is under age 65, 2% is substituted for 1.4% in determining the amount of pension payable.

METROPOLITAN CORPORATION OF GREATER WINNIPEG

This Pension Plan was established by By-Law #219 in 1962, but with retroactive provisions to January 1, 1961, the commencement date of the Metropolitan Corporation. The nucleus of the plan was the pension plan of the Greater Winnipeg Transit Commission. This in turn was an offshoot of a pension plan established in 1950 by the Winnipeg Electric Company. Provision was made in the Metro plan for employees transferred from area municipalities, or from predecessor organizations and who were members of pension plans of their former employers, to transfer to the Metro plan, or remain in their former plan, at their option. Funds of this plan are administered by Canada Trust.

Under the provisions of The City of Winnipeg Act which became effective on January 1, 1972, the Metro Employees' Pension Plan became the responsibility of the new City. On March 5, 1981, Council passed By-law 2859/81 making the Metro Employee's Pension Plan benefits compatible with those of the Employee Benefits Program with no significant effect on the liabilities of the Metro Pension Fund.

ST. BONIFACE

The former City of St. Boniface provided a non-contributory retirement pension of $1.00 per month per year of service to its retired employees until 1947. In 1947 the City entered into a pension agreement with the Annuities Branch of the Federal Government and offered an alternate contributory plan to its employees. The plan would provide a pension of $75.00 a month to the older permanent employees and $100.00 a month to the younger employees and all future employees, with the restriction that new employees entering the service at age 41 or older would not qualify for pension benefits. The contribution to the plan was a fixed amount and did not vary for the individual from the date of entry into the plan until retirement.

The rigidity of the above plan and the fixed maximum benefit that could be derived, proved unsatisfactory, and in 1957 the City negotiated a career earnings plan for its employees with Great-West Life. A unit of pension was purchased each year for each employee equivalent to 1½% of his annual salary with the employee contributing 5% of salary and the City contributing the premium required to purchase the unit.

On January 1st, 1971, after negotiating with employee groups, the City of St. Boniface agreed to convert the plan from a career earnings plan to a final earnings self-administered plan subject to the employees waiving all rights in the former plan and releasing Great-West Life from the liability of guaranteeing pensions after their retirement. The assets of the former plan were transferred to the control of a Civic Pension Committee which is composed of a) a Councillor of the Community of St. Boniface, b) a citizen appointee recommended by the Community of St. Boniface, and c) a designate of the Commissioner of Finance who is a contributor to the Plan. The new plan provides a pension which is a percentage of the average best ten years of service of the employee and the percentage is 1¼% of his final average annual Canada Pension Plan earnings and 1¾% of his final average annual non-Canada Pension Plan earnings. The normal retirement of the employee is age 65, but he may retire on the first day of any month prior to his normal retirement if he has completed 30 years of service and is age 60 or older. On the basis of qualified actuarial advice the City will contribute annually into the fund, the amount necessary over and above the member's contributions to provide the benefits earned under the Plan during the year.

On December 17, 1980, Council passed By-law 2819/80 making the St. Boniface Employees' Pension Plan benefits compatible with those of the Employee Benefits Program with no significant effect on the liabilities of the St. Boniface Pension Fund.

ST. JAMES-ASSINIBOIA

On May 1, 1951 the City of St. James established a Pension Plan for its employees by entering into a group annuity contract issued by Great-West Life.

On January 1, 1962 the Rural Municipality of Assiniboia established a Pension Plan for its employees by entering into a contract with Manufacturers Life.

In 1971 the council of the former City of St. James-Assiniboia agreed to convert the Pension Plan for the employees of the City from a Group Annuity Policy issued by Great-West Life to a Group Deposit Administration Contract issued by Great-West Life. The new Contract was signed September 1972. All of the former City of St. James employees agreed to transfer to the new plan whereas the majority of the R.M. of Assiniboia employees decided to continue on with Manufacturers Life.

On December 17, 1980, Council passed By-law 2819/80 making the St. James-Assiniboia Pension Plan benefits compatible with those of the Employee Benefits Program with no significant effect on liabilities of the pension fund.

FORT GARRY

In 1948, the former Rural Municipality of Fort Garry entered into a pension agreement with the Annuities Branch of the Federal Government to provide the employees of the former Municipality with pensions of up to $100 per month on retirement.

In 1959, the former Municipality introduced a career earnings pension plan for its employees, funded through a group annuity policy issued by Great-West Life.

In 1971, the pension benefits earned for service completed prior to that year were significantly increased as was the rate at which the employees would accumulate pension in respect of future service. At the same time, the group annuity policy was converted to a deposit administration policy.

On December 17, 1980, Council passed By-law 2819/80 making the Fort Garry employees pension plan benefits compatible with those of the Employee Benefits Program with no significant effect on liabilities of the pension fund.

OTHER FORMER AREA MUNICIPALITIES AND MONEY PURCHASE PLAN

All the other former area municipalities had established pension plans for their employees. The pensions provided under these plans are determined in accordance with one of the following methods:

(a) The pension which can be provided by the accumulated value of the contributions made by the employee and by the employer on his behalf

(b) A pension which is based on a percentage of the employee's earnings while he is a member of the Plan.

On December 17, 1980, Council passed By-law 2819/80 referred to as money purchase plan, making the former area municipalities pension plan benefits compatible with those of the Employee Benefits Program with no significant effect on liabilities of those pension funds.

The conversion of the former area municipalities' pension plans to investment only contracts within money purchase plan, is complete except for former municipality of Assiniboia.

COUNCIL MEMBERS' PENSION FUND OF THE FORMER CITY OF WINNIPEG

City Council on November 3, 1969 passed By-law No. 19713 which provided for the establishment of a pension fund for Members of Council effective November 1, 1969. The plan was voluntary for persons who were Members of Council on the effective date and compulsory for Members who were elected to Council thereafter. The Council of the new City of Winnipeg by motion passed at a meeting held on February 16, 1972 discontinued the plan effective January 1, 1972 except for pensions payable to former Councillors who were already receiving pensions and Councillors who had qualified for pensions under the terms of the By-Law prior to discontinuance of the Plan.

At present 7 former members of Council and 3 widows of former members are receiving pensions.

PENSION PLAN AND GROUP INSURANCE PLAN FOR MEMBERS OF COUNCIL

By-law 3553/83 and By-law 3689/84 being By-laws of the City of Winnipeg to provide for a Pension Plan and Group Life Insurance Plan for Members of Council of the City of Winnipeg became effective August 17, 1983.

The City of Winnipeg
Employee Benefits Program Pension Fund
Balance Sheet

As at December 31, 1985

Assets

	Market Value	1985	1984
Investments (Notes 1a-c)	$407,722,029	$350,734,671	$280,056,453
Cash in Bank		522,973	184,965
Accounts Receivable		762,968	6,112,775
Due from Other Funds		436,155	1,123,177
		1,722,096	7,420,917
		$352,456,767	$287,477,370

Liabilities

Employees' Pension Reserve—Regular	$290,977,766	$240,606,502
—Supplementary	43,390,146	35,943,498
—Firefighters Supplementary	3,248,911	2,368,313
—Designated Supplementary	13,628,103	7,847,369
	351,244,926	286,765,682
Accounts Payable	1,211,841	711,688
	$352,456,767	$287,477,370

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Employee Benefits Board
The City of Winnipeg

I have examined the balance sheet of the Employee Benefits Program Pension Fund as at December 31, 1985 and the statements of income and expenditures and of changes in reserve for the Regular and Supplementary Pension Funds for the year then ended. My examination of the financial statements was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of the Employee Benefits Program Pension Fund as at December 31, 1985 and the results of its operations for the year then ended in accordance the accounting policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

L.G. Drake

Winnipeg, Manitoba
July 16, 1986

Chartered Accountant
and City Auditor

The City of Winnipeg
Employee Benefits Program
Statement of Income and Expenditures

For the Year Ended December 31, 1985

	REGULAR PENSION FUND		SUPPLEMENTARY PENSION FUND		DESIGNATED EMPLOYEE'S SUPPLEMENTARY BENEFITS FUND		FIREFIGHTERS SUPPLEMENTARY PENSION FUND	
	1985	1984	1985	1984	1985	1984	1985	1984
Income								
Contributions —								
The City of Winnipeg (Note 3)	$ 13,266,555	$ 12,749,796	$ 2,331,166	$ 2,241,049	$ 4,999,521	$ 4,999,521	$ 754,000	$ 616,763
Employees	13,896,691	13,590,676	2,331,166	2,241,049	742,643	472,328	16,771	15,463
	27,163,246	26,340,472	4,662,332	4,482,098	5,742,164	5,471,849	770,771	632,226
Investment Revenue (Note 1d, e)	25,846,484	22,099,444	4,546,841	3,759,957	866,250	360,739	250,503	224,170
Net Gain on Sale of Securities	7,105,886	2,970,407	1,250,048	515,623	238,342	48,447	68,924	30,106
Recoveries (Note 1f.)	249,677	420,529	—	—	—	—	—	—
	60,365,293	51,830,852	10,459,221	8,757,678	6,846,756	5,881,035	1,090,198	886,502
Expenditures								
Administration (Note 1g)	733,542	1,236,861	85,120	138,889	41,327	36,500	28,918	9,856
Investment Management Fees (Note 1d)	532,154	462,646	94,442	80,790	18,081	7,529	5,229	4,678
Pension Payments	6,455,332	4,646,413	2,519,073	1,599,450	1,876,614	1,157,097	334,653	221,755
Contributions and Interest Refunded	1,342,001	808,937	204,938	149,580	—	—	10,800	—
	9,063,029	7,154,857	2,903,573	1,968,709	1,936,022	1,201,126	379,600	236,289
Net Income	$ 51,302,264	$ 44,675,995	$ 7,555,648	$ 6,788,969	$ 4,910,734	$ 4,679,909	$ 710,598	$ 650,213

Statement of Changes in Reserve

For the Year Ended December 31, 1985

	1985	1984	1985	1984	1985	1984	1985	1984
Opening Balance	$240,606,502	$195,930,507	$35,943,498	$29,154,529	$7,847,369	$ 3,167,460	$2,368,313	$ 1,718,100
ADD: Net Income	51,302,264	44,675,995	7,555,648	6,788,969	4,910,734	4,679,909	710,598	650,213
Transfer (Note 2)	—	—	—	—	870,000	—	170,000	—
DEDUCT: Transfer (Note 2)	931,000	—	109,000	—	—	—	—	—
Closing Balance	$290,977,766	$240,606,502	$43,390,146	$35,943,498	$13,628,103	$ 7,847,369	$3,248,911	$2,368,313

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Employee Benefits Program Pension Fund
Notes to the Financial Statements

For the Year Ended December 31, 1985

1. **Significant Accounting Policies**
   a) The equity funds are recorded at cost. The assets are adjusted by the realized gains or losses.
   b) Fixed income investments are carried at the lower of cost and par value. Any premiums paid on the purchase of these investments are written off to the income account in the year of purchase.
   c) Bond residues and coupons are carried at cost plus income. Income is calculated by multiplying the book value of the investments by the effective yield of the investment.
   d) Investment income and expenses are allocated between Regular and Supplementary Pension Reserve accounts on the basis of contributions received by each fund.
   e) In the Firefighters Supplementary account and Designated Employees' Supplementary account investment revenue is calculated using the rate of return earned on the average investments held.
   f) Recoveries are those prior plan administration charges.
   g) Internal administration costs are apportioned to each of the funds.
   h) The funds follow the accrual method of accounting.
2. By-law #4064/85 provides for a transfer of funds from the Regular and Supplementary Funds to the Designated Employees' and Firefighters' Supplementary Funds as a result of changing the average from a 7 to 6 year average for service from January 1, 1972 to December 31, 1985.
3. The required actuarial report was prepared as at December 31, 1982 and was subsequently revised by an interim report to update certain assumptions as at December 31, 1983, issued in January, 1985. The results of these reports are set out below with the annual payment based on the December 31, 1983 interim report.
   The triennial actuarial report as at December 31, 1985 has not been completed as at this date.

Fund	Actuarial Surplus (Unfunded Liability) December 31, 1982	1983	Annual Payment	Term
EBB Regular Fund	8,511,000	11,890,000	nil	
Supplementary Fund	4,260,000	7,734,000	nil	
Firefighters Supplementary	(6,513,000)	(6,077,000)	617,000	Dec. 31, 1984
			754,000	Dec. 31, 1985-2000
Designated Employee Fund	(43,039,000)	(46,325,000)	4,999,000	Dec. 31, 1984-2000

4. The rate of return on investments was as follows:

	1985	1984
Investment Revenue	10.54%	11.02%
Net Gain on Sale of Securities	2.90	1.48
	13.44%	12.50%
Less Investment Fees	.22	.23
Net	13.22%	12.27%

The City of Winnipeg
Employee Benefits Program Group Insurance Fund
Balance Sheet

As at December 31, 1985

Assets

	Market Value	1985	1984
Assets with The Sinking Fund Trustees (Note 1)	$8,195,128	$7,679,691	$5,501,108
Other Assets			
Due from E.B.P. Pension Fund		137,423	16,629
Accounts Receivable		—	54,276
		$7,817,114	$5,572,013

Liabilities

Group Insurance Reserve (Note 2)	$7,724,180	$5,368,920
Accounts Payable	—	106,934
Prepaid Insurance Contributions (Note 1(b))	92,934	96,159
	$7,817,114	$5,572,013

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Employee Benefits Program
The City of Winnipeg

I have examined the balance sheet of the Employee Benefits Program Group Insurance Fund as at December 31, 1985 and the statements of income and expenditures and changes in reserve for the year then ended. My examination of these financial statements was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of the Group Insurance Fund as at December 31, 1985 and the results of its operations for the year then ended in accordance with accounting policies stated in the notes to the financial statements, applied on a basis consistent with that of the preceding year.

L. G. Make

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 30, 1986

The City of Winnipeg
Employee Benefits Program Group Insurance Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1985

	1985	1984
Income		
Contributions		
The City of Winnipeg	$1,436,302	$1,370,957
Employees—Regular	1,407,260	1,359,130
—Additional	213,504	221,261
Other	117,984	83,121
	3,175,050	3,034,469
Investment Revenue	679,832	533,100
Net Loss on Sale of Securities	(1,250)	—
	3,853,632	3,567,569
Expenditures		
Premiums:		
—Regular	2,550,168	2,558,671
—Additional	201,972	215,039
Investment Fees	4,121	6,367
Administration Expenses	52,240	66,943
Contributions Refunded	1,063	2,440
	2,809,564	2,849,460
Net Income	$1,044,068	$ 718,109

Statement of Changes in Reserve

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$5,368,920	$4,322,416
ADD Net Income	1,044,068	718,109
Experience Gain	1,311,192	328,395
Closing Balance	$7,724,180	$5,368,920

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies.**
   a) Investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to the revenue account in the year of purchase.

      When investments are sold or mature, the difference between carrying value and proceeds is written off or credited to the revenue account at that time.
   b) Prepaid Insurance Contributions represent an estimate of contributions by temporary employees and the City to provide coverage during lay-offs.
2. The Group Insurance Reserve Account may be considered as a reserve to finance a portion of the cost of the post-retirement insurance expected to be provided in the future to the present members of the Group Life Insurance Plan.

   The Group Insurance Reserve is the excess of contributions and interest earned over insurance policy premiums and administrative expenses. The Reserve also includes experience gain which consists of the excess of premiums over claims paid for 1984 and prior years.
3. The Actuarial Report prepared as at December 31, 1982 states that the net present value of excess of future benefits over future contributions for all members is $3,566,000. The triennial report as at December 31, 1985 has not been received as at this date.
4. The Rate of Return on Investments.

	1985	1984
Investment Revenue	10.91%	11.38%
Net Loss on Sale of Securities	.02	—
	10.89	11.38
LESS Investment Fees	.07	.14
NET	10.82%	11.24%

The City of Winnipeg
Civic Pension Fund
Balance Sheet

As at December 31, 1985

Assets

	Market Value	1985	1984
Assets with Sinking Fund Trustees (Note 1 a & b)	$127,407,852	$115,500,493	$109,167,787
Short Term Investments	5,300,000	5,300,000	2,300,000
Accrued Interest	1,426,902	1,426,902	1,628,339
Cash in Bank	80,643	80,643	212,327
	134,215,397	122,308,038	113,308,453
Assets with Great West Life			
Transaction Account	75	75	0,786
	$134,215,472		
Other Assets			
Accounts Receivable		—	750,000
		$122,308,113	$114,068,239

Liabilities

	1985	1984
Employees' Pension Reserve	$122,135,618	$113,860,759
Due to Employee Benefits Program Pension Fund	172,495	207,480
	$122,308,113	$114,068,239

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Civic Pension Board

I have examined the balance sheet of the Civic Pension Fund as at December 31, 1985 and the statement of income and expenditures and changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of the Civic Pension Fund as at December 31, 1985 and the results of its operations for the year then ended in accordance with the policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

L. G. Makar

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 30, 1986

The City of Winnipeg
Civic Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1985

	1985	1984
Income		
Contributions		
The City of Winnipeg (Note 2)	$ 1,570,454	$ 1,576,436
Employees	44,847	65,254
	1,615,301	1,641,690
Investment Revenue	11,198,088	10,636,269
Net Gain on Sale of Securities	2,779,706	1,151,742
	15,593,095	13,429,701
Expenditures		
Administration	86,930	67,761
Investment Fees	225,273	192,394
Pension Payments	6,781,030	5,984,729
Contributions and Interest Refunded	225,003	39,233
	7,318,236	6,284,117
NET INCOME	$ 8,274,859	$ 7,145,584

Statement of Changes in Reserve

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$113,860,759	$106,715,175
ADD: Net Income	8,274,859	7,145,584
Closing Balance	$122,135,618	$113,860,759

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a. Fixed income investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to the income account in the year of purchase. Book value of these investments at the balance sheet date is $72,678,390 (1984 - $69,321,528).
   b. Bond residues and coupons are carried at cost plus accrued income. Income is recognized at the effective yield rate on these investments. Book value of these investments at the balance sheet date is $6,298,844 (1984 - $3,864,239).
   c. The fund follows the accrual method of accounting.
2. The Civic Pension Plan had an unfunded liability of $13,773,000 in respect of benefits earned for service completed up to the triannual valuation period ending December 31, 1982. An interim valuation completed January of 1985 reports that the unfunded liability has been reduced to $9,621,000. The City of Winnipeg is required to make the following annual special payments to liquidate the liability. The 1985 triennial actuarial report as at December 31, 1985 has not been completed as at this date.

Annual Payment	First Payment Due	Final Payment	Present Value at Dec. 31/83
$760,000	July 1, 1979	July 1, 2001	$6,710,000
$ 15,824	December 31, 1981	December 31, 2000	$ 130,000
$750,000	December 31, 1984	December 31, 1988	$2,781,000

3. The rate of return on investments:

	1985	1984
Investment Revenue	10.08%	10.22%
Net Gain on Sale of Securities	2.50	1.10
	12.58	11.32
LESS Investment Fees	.20	.18
Net	12.38%	11.14%

The City of Winnipeg
Winnipeg Police Pension Fund
By-Law 2148/78
Balance Sheet

As at December 31, 1985

Assets

	Market Value	1985	1984
Assets with The Sinking Fund Trustees (Note 1 a & b)	$101,410,625	$89,483,195	$75,749,476
Short Term Investments	4,675,000	4,675,000	2,750,000
Accrued Interest	1,339,710	1,339,710	1,273,028
Cash in Bank	44,676	44,676	795,105
	107,470,011	95,542,581	80,567,609
Assets with Great West Life Transaction Account	22,857	22,857	(9,751)
Assets with Citadel Life Money Market Fund	280,253	280,253	258,155
Assets with North American Life Deposit Fund	132,139	132,139	117,869
	$107,905,260	$95,977,830	$80,933,882

Liabilities

	1985	1984
Employees' Pension Reserve - Regular	$91,357,930	$77,218,339
- Supplementary	4,477,272	3,363,618
	95,835,202	80,581,957
Due to Employee Benefits Program Pension Fund	142,628	174,005
Accounts Payable	—	177,920
	$95,977,830	$80,933,882

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Police Pension Board

I have examined the balance sheet of the Winnipeg Police Pension Fund, By-Law 2148/78 as at December 31, 1985 and the statement of income and expenditures and changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of the Winnipeg Police Pension Fund, By-Law 2148/78 as at December 31, 1985 and the results of its operations for the year then ended in accordance with accounting policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

L. C. Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 30, 1986

The City of Winnipeg
Winnipeg Police Regular and Supplementary Pension Fund
By-Law 2148/78
Statement of Income and Expenditures

For the Year Ended December 31, 1985

	Regular Pension Fund		Supplementary Pension Fund	
	1985	1984	1985	1984
Income				
Contributions—				
The City of Winnipeg (Note 2)	$ 3,040,146	$ 3,223,661	$ 324,660	$ 318,032
Employees	3,130,715	2,823,742	324,660	318,032
	6,170,861	6,047,403	649,320	636,064
Investment Revenue (Note 1d and 5)	8,968,978	7,430,181	417,600	323,505
Net Gain on Sale of Securities (Note 1e)	1,789,381	522,490	83,079	—
	16,929,220	14,000,074	1,149,999	959,569
Expenditures (Note 1d)				
Administration	48,745	89,503	5,555	10,077
Investment Fees	165,731	201,500	18,886	22,688
Pension Payments	2,490,696	2,064,543	5,401	2,993
Contributions and Interest Refunded	84,457	45,331	6,504	2,437
	2,789,629	2,400,877	36,346	38,195
NET INCOME	$14,139,591	$11,599,197	$1,113,653	$ 921,374

Statement of Changes in Reserve

For the Year Ended December 31, 1985

	Regular Pension Fund		Supplementary Pension Fund	
	1985	1984	1985	1984
Opening Balance	$77,218,339	$65,285,922	$3,363,619	$2,442,245
ADD Net Income	14,139,591	11,599,197	1,113,653	921,374
Prior Plans Conversion (Note 4)	—	333,220	—	—
Closing Balance	$91,357,930	$77,218,339	$4,477,272	$3,363,619

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Winnipeg Police Regular and Supplementary Pension Funds
By-Law 2148/78
Notes to the Financial Statements

December 31, 1985

1. **Significant Accounting Policies**
   a. Fixed income investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to the income account in the year of purchase. Book value of these investments at the balance sheet date is $53,843,314 (1984 - $46,361,621).
   b. Bond residue and coupons are carried at cost plus income. Income is calculated by multiplying the book value of the investment by the effective yield of the investment. Book value of these investments at the balance sheet date is $7,266,145 (1984 - $3,767,696).
   c. The fund follows the accrual method of accounting.
   d. Investment revenue and expenditures are allocated between Regular and Supplementary Pension Reserve accounts using the rate of return earned on the average investments held.
   e. In prior years gains on sale of securities were recorded exclusively in the Regular Fund. For 1985 the allocation between Regular and Supplementary Funds is as stated in Note 1d above.

2. The required Actuarial report was prepared as at December 31, 1982 and was subsequently revised by an interim report to update certain assumptions as at December 31, 1983, issued in January, 1985. The results of these reports are set out below with the annual payment based on December 31, 1983 interim report. The triennial actuarial report as at December 31, 1985 has not been completed as at this date.

Fund	Actuarial Surplus (Unfunded Liability) December 31, 1982	1983	Annual Payment	Term
Supplementary Fund	1,585,000	2,379,000	nil	
Police Regular Fund	(12,703,000)	(8,602,000)	$126,000	Jul. 1, 1984-1996
			$188,000	Dec. 31, 1984-1988

3. A Police Supplementary Fund was established January 1, 1980 to provide for cost of living increases.
4. Police Fund share of insured plans conversion to Investment Only Contract.
5. The rate of return on investments was as follows:

	1985	1984
Investment Revenue	11.36%	11.05%
Net Gain on Sale of Securities	2.26	.74
	13.62	11.79
LESS Investment Fees	.22	.32
Net	13.40%	11.47%

The City of Winnipeg
Police Pension Fund
Balance Sheet

As at December 31, 1985

Assets

	1985	1984
Assets with The Sinking Fund Trustees — at cost		
Call Loans—City of Winnipeg	$ 3,000	$ 6,500
Cash	533	224
	$ 3,533	$ 6,724

Liabilities

Pension Reserve	$ 2,298	$ 5,674
Accounts Payable	1,235	1,050
	$ 3,533	$ 6,724

Statement of Reserve

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$ 5,674	$ 8,743
ADD		
Investment Income	356	815
LESS: Administration Expenses	1,300	1,050
Net Change	(944)	(235)
Amount Available for Pension Purposes	4,730	8,508
DEDUCT		
Pension Payments	2,432	2,834
Closing Balance	$ 2,298	$ 5,674

Auditor's Report

To the Mayor and Members
of City Council
The City of Winnipeg

I have examined the balance sheet of The City of Winnipeg, Police Pension Fund as at December 31, 1985 and the statement of reserve for the year then ended. My examination of the pension reserve and assets and liabilities was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg, Police Pension Fund as at December 31, 1985, and the changes in statement of reserve for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Winnipeg, Manitoba
June 20, 1986

Chartered Accountant
and City Auditor

The City of Winnipeg
Metro Employees' Pension Fund
Balance Sheet

As at December 31, 1985

Assets

	Market Value	1985	1984
Assets with Canada Trust Investment Counsel Inc. (Note 1)	$80,289,599	$67,047,418	$63,667,704
Accrued Income	1,249,136	1,249,136	825,482
	$81,538,735	68,296,554	64,493,186
Other Assets			
Accounts Receivable		2,319	117
		$68,298,873	$64,493,303

Liabilities

Employees' Pension Reserve	$68,062,850	$64,081,060
Due to Employee Benefits Program Pension Fund	208,811	385,827
Accounts Payable	27,212	26,416
	$68,298,873	$64,493,303

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Metro Employees' Retirement Committee

I have examined the balance sheet of The City of Winnipeg, Metro Employees' Pension Fund as at December 31, 1985 and the statements of income and expenditures and of changes in reserve account for the year then ended. My examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg, Metro Employees' Pension Fund as at December 31, 1985 and the results of its operations for the year then ended, in accordance with accounting policies as stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Winnipeg, Manitoba
June 30, 1986

Chartered Accountant
and City Auditor

The City of Winnipeg
Metro Employees' Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1985

	1985	1984
Income		
Contributions		
The City of Winnipeg	$ 10,529	$ 10,736
Employees	10,529	10,736
	21,058	21,472
Investment Revenue	5,426,203	5,280,155
Net Gain on Sale of Securities	1,401,806	1,171,089
	6,849,067	6,472,716
Expenditures		
Administration	52,031	51,064
Investment Fees	106,180	106,607
Pension Payments	2,688,245	2,168,605
Contributions and Interest Refunded	20,821	2,128
	2,867,277	2,328,404
NET INCOME	$ 3,981,790	$ 4,144,312

Statement of Changes in Reserve

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$64,081,060	$59,936,748
ADD: Net Income	3,981,790	4,144,312
Closing Balance	$68,062,850	$64,081,060

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a. Investments are recorded at cost.
   b. The fund follows the accrual method of accounting.
2. The actuarial report prepared as at December 31, 1982 disclosed an actuarial surplus of $12,209,000. An interim report prepared January, 1985 reported that this surplus increased to $17,008,000 as at December 31, 1983. The triennial actuarial report as at December 31, 1985 has not been completed as at this date.
3. The rate of return on investments was as follows:

	1985	1984
Investment Revenue	8.62%	8.95%
Net Gain on Sale of Securities	2.22	1.99
	10.84	10.94
LESS: Investment Fees	.17	.18
Net	10.67%	10.76%

The City of Winnipeg
St. Boniface Pension Fund
Balance Sheet

As at December 31, 1985

Assets

	Market Value	1985	1984
Assets with Great-West Life (Note 1)			
Mortgage Fund	$6,759,405	$6,405,326	$6,152,466
Deposit Fund	9,638	9,638	24,394
Money Market Fund	426,217	426,217	80,769
Transaction Account	3,906	3,906	(11,892)
	$7,199,166	$6,845,087	$6,245,737

Liabilities

	1985	1984
Employees' Pension Reserve	$6,799,310	$6,198,131
Accounts Payable	45,777	47,606
	$6,845,087	$6,245,737

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
St. Boniface Pension Committee

I have examined the balance sheet of The City of Winnipeg, St. Boniface Pension Fund as at December 31, 1985 and the statement of income and expenditures and of changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg,St. Boniface Pension Fund as at December 31, 1985 and the results of its operations for the year then ended, in accordance with the accounting policies stated in Note 1 to the financial statements applied, on a basis consistent with that of the preceding year.

L. G. Drake

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 30, 1986

The City of Winnipeg
St. Boniface Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1985

	1985	1984
Income		
Contributions		
The City of Winnipeg — (Note 2)	$ 63,800	$ 63,800
Investment Revenue	762,048	699,750
Gain on Sale of Securities	3,507	—
Experience Refund	—	17,071
	829,355	780,621
Expenditures		
Administration	7,324	16,500
Investment Fees	32,670	30,268
Pension Payments	188,182	164,878
Contributions and Interest Refunded	—	24,693
	228,176	236,339
Net Income	$ 601,179	$ 544,282

Statement of Changes in Reserve

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$6,198,131	$5,653,849
ADD - Net Income	601,179	544,282
Closing Balance	$6,799,310	$6,198,131

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a. The Mortgage and Deposit funds are recorded at cost. The Money Market Fund is recorded at cost with adjustment to reflect the gain in market value. The Transaction Account records cash transfers, revenue and operating expenses by Great-West Life.
   b. The fund follows the accrual method of accounting.
2. On October 20, 1976, Council authorized the payment to the fund of $63,800 per annum for a period of 20 years commencing in 1976 in order to retire the fund's unfunded liability.
3. An actuarial report is prepared triennially. The report at December 31, 1982 indicates a current experience gain of $33,000. The Actuarial Report as at December 31, 1985 has not been completed at this date.
4. The rate of return on investments was as follows:

	1985	1984
Investment Revenue	12.42%	12.76%
Gain on Sale of Securities	.05	—
	12.47%	12.76%
LESS Investment Fees	.53	.54
NET	11.94%	12.22%

The City of Winnipeg
St. James-Assiniboia Pension Fund
Balance Sheet

As at December 31, 1985

Assets

	Market Value	1985	1984
Assets in Trust with Great-West Life (Note 1)			
Mortgage Fund	$4,861,106	$4,603,639	$6,906,453
Real Estate Fund	234,215	234,215	—
Equity Fund	1,540,815	1,540,815	836,282
Money Market Fund	277,151	277,151	—
Deposit Fund	25,659	25,659	66,660
Bond Fund	2,158,258	2,066,722	—
Transaction Account	120,648	120,648	(40,442)
	$9,217,852	8,868,849	7,768,953
Accounts Receivable		1,774	114,233
		$8,870,623	$7,883,186

Liabilities

Employees' Pension Reserve	$8,821,105	$7,839,630
Due to Employee Benefits Program Pension Fund	49,518	43,556
	$8,870,623	$7,883,186

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
St. James-Assiniboia Pension Committee

I have examined the balance sheet of The City of Winnipeg, St. James-Assiniboia Pension Fund as at December 31, 1985 and the statements of income and expenditures and of changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg, St. James-Assiniboia Pension Fund as at December 31, 1985 and the results of its operations for the year then ended, in accordance with the accounting policies stated in Note 1 to the financial statements applied, on a basis consistent with that of the preceding year.

L. G. Drake

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 30, 1986

The City of Winnipeg
St. James-Assiniboia Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1985

	1985	1984
Income		
Contributions		
The City of Winnipeg	$ 122,578	$ 122,309
Employees	8,579	8,309
	131,157	130,618
Investment Revenue	1,071,487	756,738
Gain on Sale of Securities	89,741	—
	1,292,385	887,356
Expenditures		
Administration	10,263	17,254
Investment Fees	37,200	35,951
Pension Payments	244,384	224,202
Contributions and Interest Refunded	19,064	6,398
	310,911	283,805
Net Income	$ 981,474	$ 603,551

Statement of Changes in Reserve

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$7,839,630	$7,236,079
ADD Net Income	981,474	603,551
Closing Balance	$8,821,104	$7,839,630

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a. The Mortgage Fund, Bond Fund and Deposit Fund are recorded at cost. The Canadian Equity Fund, Real Estate Fund and Money Market Fund are recorded at cost with adjustment to reflect the gain in market value. Gains in market value totalling $245,899 from these three funds were taken into investment income in 1985. In 1984 the total gain was $21,395. The Transaction Account records cash transfers, revenue and operating expenses by Great-West Life.
   b. The fund follows the accrual method of accounting.
2. An Actuarial report prepared as at December 31, 1982 disclosed an experience deficiency of $797,000. An interim report prepared January, 1985 reported a decrease to $422,000 as at December 31, 1983. The City of Winnipeg is required to pay annual payments of $114,000 per year commencing with payment on December 31, 1984 with final payment on December 31, 1988. The triennial actuarial report as at December 31, 1985 has not been completed as at this date.
3. The rate of return on investments was as follows:

	1985	1984
Investment Revenue	13.89%	10.62%
Gain on Sale of Investment	1.16	—
	15.05	10.62
LESS Investment Fees	.48	.50
NET	14.57%	10.12%

The City of Winnipeg
Fort Garry Pension Fund
Balance Sheet

As at December 31, 1985

Assets

	Market Value	1985	1984
Assets with Great-West Life (Note 1)			
Mortgage Fund	$1,180,426	$1,077,427	$1,030,365
Money Market Fund	36,151	36,151	—
Deposit Fund	173,167	173,167	218,721
Transaction Account	4,924	4,924	(54,364)
	$1,394,668	$1,291,669	$1,194,722

Liabilities

	1985	1984
Employees' Pension Reserve	$1,278,055	$1,183,002
Accounts Payable	13,614	11,720
	$1,291,669	$1,194,722

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Employee Benefits Board
The City of Winnipeg

I have examined the balance sheet of The City of Winnipeg, Fort Garry Pension Fund as at December 31, 1985 and the statements of income and expenditures and of changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg, Fort Garry Pension Fund as at December 31, 1985 and the results of its operations for the year then ended, in accordance with the policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

L. G. Makar

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 30, 1986

The City of Winnipeg
Fort Garry Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1985

	1985	1984
Income		
Contributions		
The City of Winnipeg	$ 3,057	$ 2,972
Employees	3,057	2,972
	6,114	5,944
Investment Revenue	147,749	130,043
Experience Refund	—	15,893
	153,863	151,880
Expenditures		
Administration	5,449	10,832
Investment Fees	6,408	5,487
Pension Payments	46,953	38,087
	58,810	54,406
Net Income	$ 95,053	$ 97,474

Statement of Changes in Reserve

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$1,183,002	$1,085,528
ADD Net Income	95,053	97,474
Closing Balance	$1,278,055	$1,183,002

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a. The Mortgage and Deposit Funds are recorded at cost. The Money Market Fund is recorded at cost with adjustment to reflect the gain in market value. The transaction account records cash transfers, revenue and operating expenses by Great-West Life.
   b. The fund follows the accrual method of accounting.
2. The Actuarial report prepared as at December 31, 1982 disclosed an actuarial surplus of $411,000. An interim report prepared January, 1985 reported that this surplus increased to $491,000 as at December 31, 1983. The triennial actuarial report as at December 31, 1985 has not been completed at this date.
3. The rate of return on investments was as follows:

	1985	1984
Investment Revenue	12.70%	13.67%
LESS Investment Fees	.55	.51
NET	12.15%	13.16%

The City of Winnipeg
Money Purchase Pension Fund
Balance Sheet

As at December 31, 1985

Assets

	Market Value	1985	1984
Assets with Great-West Life (Note 1)			
Transaction Account	$ (105.207)	$ (105.207)	$ (294.940)
Money Market Fund#1	1.247.723	1.247.723	1.800.070
Deposit Fund	1.012.501	1.012.501	1.190.634
Assets with London Life Mortgage Fund	495.590	495.590	432.700
Assets with Citadel Life Money Market Fund	1.401.236	1.401.236	667.306
	$4.051.843	$ 4.051.843	$ 3.795.770

Liabilities

	1985	1984
Employees' Pension Reserve (Note 2)	$4.020.358	$3.762.172
Due to Employee Benefits Program Pension Fund	31.485	33.598
	$4.051.843	$3.795.770

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Employee Benefits Board
The City of Winnipeg

I have examined the balance sheet of The City of Winnipeg, Money Purchase Pension Fund as at December 31, 1985 and the statements of income and expenditures and of changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

Policies with the Manufacturers Life Insurance Company have not been converted to the Money Purchase Plan. Therefore, no asset values or earnings have been included in these financial statements.

In my opinion, except for any adjustments which may result from these excluded assets and earnings, these financial statements present fairly the financial position of The City of Winnipeg Money Purchase Pension Fund as at December 31, 1985 and the results of its operations for the year then ended, in accordance with accounting principles described in the notes to the financial statements.

L. G. Makar

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 30, 1986

The City of Winnipeg
Money Purchase Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1985

	1985	1984
Income		
Contributions		
The City of Winnipeg	$ 13,417	$ 13,581
Employees	13,417	13,581
	26,834	27,162
Investment Revenue	379,004	569,314
	405,838	596,476
Expenditures		
Administration	14,759	8,965
Investment Fees	4,628	6,359
Pension Payments	128,265	153,747
Contributions and Interest Refunded	—	24,762
	147,652	193,833
Net Income	$ 258,186	$402,643

Statement of Changes in Reserve

For the Year Ended December 31, 1985

		1985	1984
Opening Balance		$3,762,172	$3,762,671
ADD	Net Income	258,186	402,643
DEDUCT	Transfers (Note 2)	—	403,142
Closing Balance		$4,020,358	$3,762,172

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

For the Year Ended December 31, 1985

1. **Significant Accounting Policies**
   a) The book value of the assets with Great West Life, London Life and Citadel Life are adjusted by the realized gains or losses.
   b) The fund follows the accrual method of accounting.

2. The Money Purchase Fund was established in 1983, by the conversion of some of the prior Municipal Insurance Plans under authority of by-law 2819/80. The appropriate share of assets have been transferred to Winnipeg Police Pension Fund and Municipal Employees Benefits Board. The Money Purchase Fund does not include those assets held by Manufacturers Life for former Assiniboia Pension Plan policy GP2967.

3. The Actuarial Report as at December 31, 1982 did not include a valuation of the plans' assets as the fund had not been established as of the valuation date, however, it is anticipated that the assets of the fund are sufficient to create a funding excess. The 1985 triennial actuarial report has not been completed as at this date.

4. The rate of return on investments was as follows:

	1985	1984
Investment Revenue	10.19%	17.11%
LESS Investment Fees	.12	.19
NET	10.07%	16.92%

The City of Winnipeg
Council Members' Pension Fund
Balance Sheet

As at December 31, 1985

Assets

	1985	1984
Assets with The Sinking Fund Trustees — at cost		
City of Winnipeg, 8¾% debentures due February 1, 1987 (Par $20,000)	$19,830	$19,830
Call Loans—City of Winnipeg	8,500	8,000
Accrued Interest	729	729
Cash	1,027	485
	$30,086	$29,044

Liabilities

Pension Reserve	$28,786	$27,994
Accounts Payable	1,300	1,050
	$30,086	$29,044

Statement of Reserve

For the Year Ended December 31, 1985

	1985	1984
Opening Balance	$27,994	$27,949
ADD		
Contributions—City of Winnipeg	6,281	6,281
Investment Income	2,153	2,360
	8,434	8,641
LESS: Administration Expenses	1,300	1,050
Net Change	7,134	7,591
Amount available for pension purposes	35,128	35,540
DEDUCT		
Pension Payments	6,342	7,546
Closing Balance	$28,786	$27,994

Auditor's Report

To the Mayor and Members
of City Council
The City of Winnipeg

I have examined the balance sheet of The City of Winnipeg—Council Members' Pension Fund as at December 31, 1985 and the statement of reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg—Council Members' Pension Fund as at December 31, 1985 and the changes in statement of reserve for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Winnipeg, Manitoba
June 6, 1986

L. E. Makaroff

Chartered Accountant
and City Auditor

Financial Statistics and Debenture Debt Information

The City of Winnipeg
Financial Statistics, etc.
As at December 31, 1985

Debenture Debt Supported by Taxation	GROSS DEBT	SINKING FUND (Note 4)	NET DEBT	%
City at Large				
Schools [See Notes (1), (2), (3)]	$ 851,000.00	$ —	$ 851,000.00	.2
All Other purposes	363,057,089.75	102,783,547.13	260,273,542.62	66.7
	363,908,089.75	102,783,547.13	261,124,542.62	66.9
Local Improvements				
Property Owner's share	11,878,650.15	8,622,170.47	3,256,479.68	.8
Total Supported by Taxation	375,786,739.90	111,405,717.60	264,381,022.30	67.7
City Owned Utilities				
Hydro Electric System	57,177,325.08	22,861,044.11	34,316,280.97	8.8
Steam Heating System	54,000.00	—	54,000.00	.0
Transit System	12,100,000.00	6,543,536.13	5,556,463.87	1.4
Waterworks System	56,882,709.26	21,721,515.06	35,161,194.20	9.0
Sewage Disposal System	65,072,691.28	14,017,494.49	51,055,196.79	13.1
Total City Owned Utilities	191,286,725.62	65,143,589.79	126,143,135.83	32.3
Total December 31, 1985	$567,073,465.52	$176,549,307.39	$390,524,158.13	100.0
Total January 1, 1985	$536,125,363.71	$163,130,571.75	$372,994,791.96	

NOTES (1) Only former City of Winnipeg had issued school debt under its own Municipal credit.
(2) Annual Service Charges are responsibility of Provincial Government.
(3) Excludes all school debt issued directly by Area School Boards and Divisions.
(4) An additional $25,181,252.08 is provided for by Foreign Exchange in Sinking Fund for equivalent U.S. Dollars to retire debt at maturity.

Serial and Instalment Debentures	$ 88,547,465.52
Sinking Fund Debentures	478,526,000.00
	$567,073,465.52

Debentures Guaranteed by City	
Winnipeg Enterprises Corporation	$ 6,906,000.00

Capital Expenditures Unfunded (Floating Debt)		
Supported by Taxation		$ 48,972,933.00
City Owned Utilities		
Hydro Electric System	$ 9,795,825	
Steam Heating System	188,057	
Transit System	10,838,682	
Waterworks System	227,291	
Sewage Disposal System	3,365,383	24,415,238
		$ 73,388,171

Operating Results for Year

	Revenue	Expenditure Inc. Debt Charges	Surplus
*General	$681,938,621	$681,388,693	$ 549,928
Hydro Electric System	79,697,582	63,924,896	15,772,686
Steam Heating System	4,660,741 **	4,660,741	—
Transit System	63,121,881 ***	63,121,881	—
Waterworks System	45,820,040	43,528,539	2,291,501
Sewage Disposal System	29,892,303	28,497,949	1,394,354
	$905,131,168	$885,122,699	$20,008,469

*Revenue and Expenditures includes $205,831,101 collected on behalf of and paid to school authorities.
**Revenue includes contribution from Hydro Electric System - $927,138.
***Revenue includes appropriation from General Levy - $15,569,956.

The City of Winnipeg
Financial Statistics, etc.
As at December 31

	1985	1984	1983	1982	1981
Tax Collections and Arrears (including certificates and titles)					
Taxes to collect					
Current levy for all purposes	$ 451,530,424	$ 430,185,421	$ 405,121,754	$ 383,067,048	$ 334,158,722
Arrears forward—inc. penalties	34,284,401	37,685,605	37,384,187	31,513,590	24,765,947
Total	$ 485,814,825	$ 467,871,026	$ 442,505,941	$ 414,580,638	$ 358,924,669
Collections for year					
Current levy	$ 431,120,103	$ 409,165,680	$ 385,443,923	$ 361,908,860	$ 317,062,155
Arrears	18,120,176	21,384,526	22,492,453	17,504,436	14,285,629
Total	$ 449,240,279	$ 430,550,206	$ 407,936,377	$ 379,413,296	$ 331,347,784
Arrears December 31					
Gross arrears—fully reserved	$ 36,574,546	$ 37,320,820	$ 34,569,564	$ 35,167,342	$ 27,576,885
Percentages					
Total collections to current levy	99.49%	100.08%	100.69%	99.05%	99.16%
Current levy collections to current levy	95.48%	95.11%	95.14%	94.48%	94.88%
Total collections to total to collect	92.47%	92.02%	92.19%	91.52%	92.32%
Current tax levy—per capita	$ 738.19	$ 711.49	$ 677.73	$ 643.35	$ 567.74
Assessments					
Land—100% of assessed value	$ 410,583,190	$ 407,421,720	$ 404,898,520	$ 404,962,040	$ 403,572,330
Buildings—66 2/3% of assessed value	1,410,184,490	1,377,228,450	1,353,891,610	1,340,062,630	1,309,670,390
Personal Property—100% of assessed value	31,091,220	29,672,940	28,798,370	27,179,920	26,160,660
Total	$1,851,858,900	$1,814,323,110	$1,787,588,500	$1,772,204,590	$1,739,403,380
Exemptions (not included in above)	$ 459,719,850	$ 458,241,621	$ 457,338,470	$ 452,190,320	$ 446,734,000
Business Assessment—annual rental value	$ 251,020,138	$ 246,111,712	$ 241,166,938	$ 241,059,171	$ 229,675,431
Assessment (inc. business)—per capita	$ 3,437.58	$ 3,407.78	$ 3,393.93	$ 3,381.22	$ 3,345.51
Municipal Mill Rate	117.343	113.197	107.605	101.648	88.386
Population	611,732	604,627	*597,760	595,426	588,573
Area of City in Square Miles	218.4	218.4	218.4	218.4	218.4

* Traditionally Manitoba Health Services Commission provided population updates to December 1st annually. Commencing in 1983 these will be available only for June 1st.

The City of Winnipeg
Table of Financial Statistics & Selected Ratios

As at December 31

	1985	1984	1983	1982	1981
Total Debenture Debt ($000's) (1)	567,073	536,125	502,892	513,487	515,343
Net Tax Supported Debenture Debt ($000's) (2)	269,086	252,416	233,722	257,453	267,867
Debenture Debt per Capita:					
Total ($)	927	887	841	862	876
Net ($)	440	417	391	432	455
Estimated Market Value of Taxable Assessment ($000's) (3)	16,277,000	16,196,000	15,603,000	15,597,000	14,854,000
Debenture Debt as a % of Estimated Market Value of Taxable Assessment:					
Total (%)	3.5	3.3	3.2	3.3	3.5
Net (%)	1.7	1.6	1.5	1.7	1.8
Combined Revenues ($000's) (4)	648,019	632,381	593,101	549,354	467,879
Net Combined Revenues ($000's) (5)	492,369	486,426	457,345	431,946	358,808
Total Debenture Debt as a % of Combined Revenues	87.5	84.8	84.8	93.5	110.1
Net Debenture Debt as a % of Net Combined Revenues	54.7	51.9	51.1	59.6	74.7
Gross Debt Charges ($000's) (6)	80,983	75,151	77,989	76,193	58,484
Gross Debt Charges as a % of Combined Revenues	12.5	11.9	13.1	13.9	12.5
Net Debt Charges ($000's) (7)	56,519	51,922	54,497	52,748	40,012
Net Debt Charges as a % of Net Combined Revenues	11.5	10.7	11.9	12.2	11.2
Average Debenture Interest Rate (%)	10.77	10.74	10.60	10.42	10.23
Currency Payable In (%)					
Canadian Dollars	56.88	53.33	48.92	49.97	49.31
U.S. Dollars	43.12	46.67	49.75	48.73	49.40
Deutsche Marks (West German)	—	—	1.33	1.30	1.29
Pattern of Debt Retirement (%)					
1 - 5 years	56.3	54.8	55.4	34.3	23.9
6 - 10 years	21.7	23.8	18.8	38.3	47.5
over 10 years	22.0	21.4	25.8	27.4	28.6

NOTES:

(1) Total Debenture Debt is Gross Debt outstanding for all Municipal Purposes (Tax-Supported and City-owned Utilities and debt issued for Winnipeg School Division No. 1 by the former City of Winnipeg).

(2) Net Tax-Supported Debt is Gross Debt less accumulated Sinking Funds, less City-owned Utilities (except Transit System) net of Sinking Fund, and less Debentures issued for Winnipeg School Division No. 1.

(3) In computing Estimated Market Value, Taxable Assessments (including Grants in lieu of Taxes) are first adjusted to 100% of assessed value before converting.

(4) Combined Revenues are comprised of General Revenues and City-owned Utilities, but exclude revenues collected on behalf of School authorities.

(5) Net Combined Revenues are Combined Revenues shown in (4) but exclude revenues for Hydro, Steam, Waterworks & Sewage Disposal Utilities.

(6) Gross Debt Charges are annual cash requirements for Interest, Principal and Sinking Fund levies on Total Debenture Debt as defined in (1) above.

(7) Net Debt Charges are annual cash requirements for Interest, Principal and Sinking Fund levies on Net Tax-Supported Debt as defined in (2) above.

Debenture Debt Financial and Statistical Statements

On the coming into force of The City of Winnipeg Act on January 1, 1972, the new City assumed responsibility for the debenture debt of the following predecessor Municipal entities

—R.M. of Charleswood
—R.M. of Fort Garry
—R.M. of Old Kildonan
—City of St. James-Assiniboia
—City of Transcona
—City of West Kildonan
—City of East Kildonan
—R.M. of North Kildonan
—City of St. Boniface
—City of St. Vital
—Town of Tuxedo
—City of Winnipeg
—Metropolitan Corporation of Greater Winnipeg, including
  —Greater Winnipeg Sanitary District
  —Greater Winnipeg Water District
  —Greater Winnipeg Transit Commission

The gross Debenture Debt of the City as at December 31, 1985 amounted to $567,073,465.52 as follows:

Gross Debenture Debt as at January 1, 1985	$536,125,363.71
Debenture Debt issued by the City in 1985	50,000,000.00
Debenture Debt retired in 1985	(19,051,898.19)
Gross Debenture Debt as at December 31, 1985	$567,073,465.52

Composition of this debt is as follows

Sinking Fund	$478,526,000.00
Serial and Instalment	88,547,465.52
	$567,073,465.52

The City of Winnipeg Act provides for the appointment of a Board of Sinking Fund Trustees consisting of four trustees, composed of the City Treasurer and three trustees appointed by the Lieutenant Governor in Council. This board administers such sinking funds as are required to be maintained in respect to any debentures of the City. At the inception of the unified City of Winnipeg the Board of Trustees had vested in it the assets and liabilities of the former Sinking Fund Trustees of the City of Winnipeg, the former Sinking Fund Committee of the Metropolitan Corporation of Greater Winnipeg and the former Sinking Fund Trustees of the City of St. Boniface. . . the only municipal entities in the unification who had issued Sinking Fund Debentures.

The provisions of The City of Winnipeg Act require that in the case of Sinking Fund Debentures, there shall be paid over to the Sinking Fund Trustees on each anniversary date until maturity an amount which, together with calculated interest thereon at a rate not exceeding 5% per annum, will be sufficient to retire the debt at maturity. There is, however, an exception permitted in that when sinking fund debentures are issued for purposes of the Transit System, Waterworks System or Sewage Disposal System, a sinking fund of 1% of the original amount of the debentures is permissible, or if the debentures are for any other purpose and the term is less than 22 years, a sinking fund of 3% of the original amount of the debentures may be provided.

All sinking fund debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4½%, with the exception of the following: (a) An issue under By-law 1586/77 was issued under the 1% and 3% levy provisions creating a sinking fund deficiency; additional monies are being provided annually to ensure that the sinking fund will be sufficient to discharge the debt at maturity. (b) In 1980, the City issued $25 million 8 year sinking fund debentures under By-law 2622/80 extendible for an additional 8 years at the option of the holders; if the issue remains outstanding until 1996 a sinking fund sufficient to fully retire the issue will be available. (c) In 1981 the City issued $50 million, 7 year sinking fund debentures under the 1% and 3% levy provision and $50 million 5 year sinking fund debentures under a 3% levy provision, both of which will create sinking fund deficiencies and will require refinancing. (d) In 1984 under By-law 3807/84, the City issued $50 million, 7 year sinking fund debentures under the 1% and 3% levy provision. This will create a sinking fund deficiency that will require refinancing. (e) In 1985 under By-law 4025/85, the City issued $50 million, 5 year sinking fund debentures under the 3% levy provision. This will create a sinking fund deficiency that will require refinancing.

The Sinking Fund Trustees are also empowered, under the City of Winnipeg Act, to administer such other funds as the Council may direct. At present, the trustees are administering the sinking fund for the redemption of debentures issued by the Winnipeg Enterprises Corporation.

In the case of serial and instalment debt, The City of Winnipeg Act requires the raising of sufficient money to pay the principal amount of debt falling due in that year.

The net debenture debt of the City as at December 31, 1985 totalled $391,372,527.58 comprised as follows:

	Supported by Taxation	Utilities	Total
Gross	$375,786,739.90	$191,286,725.62	$567,073,465.52
Less Sinking Funds	111,405,717.60	65,143,589.79	176,549,307.39
Net	$264,381,022.30	$126,143,135.83	$390,524,158.13

Summary of Debenture Debt and Sinking Fund

As at December 31, 1985

Description	DEBENTURE DEBT			1986 FIXED ANNUAL CHARGES (Note 2)		
	Gross	Sinking Fund (Note 1)	Net	Interest (Note 3)	Principal	Total
SUPPORTED BY TAXATION						
City at Large						
General (other than local improvements)	$362,329,440.79	$101,400,682.67	$260,928,758.12	$40,713,985.02	$15,049,108.03	$55,763,093.05
Local Improvements—City's Share	727,648.96	534,495.01	193,153.95	44,127.85	63,473.21	107,601.06
	363,057,089.75	101,935,177.68	261,121,912.07	40,758,112.87	15,112,581.24	55,870,694.11
Unallocated Surplus	—	848,369.45	(848,369.45)	—	—	—
	363,057,089.75	102,783,547.13	260,273,542.62	40,758,112.87	15,112,581.24	55,870,694.11
Public School Board (Note 4) (not including Direct issues)	851,000.00	—	851,000.00	48,492.50	389,000.00	437,492.50
Total City at Large	363,908,089.75	102,783,547.13	261,124,542.62	40,806,605.37	15,501,581.24	56,308,186.61
Self Supporting Local Improvements—Property Owners' Share	11,878,650.15	8,622,170.47	3,256,479.68	1,010,503.60	1,142,782.01	2,153,285.61
TOTAL SUPPORTED BY TAXATION	375,786,739.90	111,405,717.60	264,381,022.30	41,817,108.97	16,644,363.25	58,461,472.22
CITY OWNED UTILITIES						
Hydro Electric System	57,177,325.08	22,861,044.11	34,316,280.97	5,702,836.63	2,126,598.79	7,829,435.42
Steam Heating System	54,000.00	—	54,000.00	3,105.00	17,000.00	20,105.00
Transit System (Note 4)	12,100,000.00	6,543,536.13	5,556,463.87	1,258,250.00	420,222.00	1,678,472.00
Water Works System	56,882,709.26	21,721,515.06	35,161,194.20	5,841,174.60	1,930,327.34	7,771,501.94
Sewage Disposal System	65,072,691.28	14,017,494.49	51,055,196.79	7,163,556.17	2,038,680.47	9,202,236.64
TOTAL CITY OWNED UTILITIES	191,286,725.62	65,143,589.79	126,143,135.83	19,968,922.40	6,532,828.60	26,501,751.00
GRAND TOTAL	$567,073,465.52	$176,549,307.39	$390,524,158.13	$61,786,031.37	$23,177,191.85	$84,963,223.22

Note (1) An additional $34,438,881.33 is provided for Foreign Exchange in Sinking Fund for equivalent U.S. Dollars to retire debt at maturity.

Note (2) Fixed annual charges shown are on a 'Cash Basis' and not 'Accrual Basis'. Principal amount does not include $2,180,183. provided from the Sinking Fund Surplus to maintain full Sinking Fund provision at maturity for By-law 1586/77.

Note (3) As a result of the pro rata allocation by purpose of debt schedules on subsequent pages, there may be some minor distortions in arithmetic interest calculations.

Note (4) In computing its Net Tax Supported Debenture Debt for purposes of financial ratios and prospectus filings, the City considers debt issued on behalf of the Transit System as Tax-Supported Debt. In addition outstanding debenture debt of the Winnipeg School Division No. 1 is excluded because such debt is serviced by the Province of Manitoba.

Debenture Debt—Maturity by Years

Maturity Year	Sinking Fund Debt		Serial and Instalment Debt	Total	%
1986	$103,620,000.00	*	$ 7,543,137.15	$111,163,137.15	19.6
1987	61,000,000.00		7,364,755.69	68,364,755.69	12.1
1988	30,500,000.00		7,670,444.75	38,170,444.75	6.7
1989	24,446,000.00		7,353,038.69	31,799,038.69	5.6
1990	62,200,000.00	**	7,828,005.77	70,028,005.77	12.4
1991	60,260,000.00	***	5,898,068.66	66,158,068.66	11.7
1992	8,000,000.00		5,923,796.80	13,923,796.80	2.5
1993	7,500,000.00		5,007,571.00	12,507,571.00	2.2
1994	10,500,000.00		4,902,223.34	15,402,223.34	2.7
1995	10,000,000.00		5,086,592.55	15,086,592.55	2.7
1996	75,000,000.00		3,180,473.92	78,180,473.92	13.8
1997	—		2,990,320.74	2,990,320.74	.5
1998	30,000,000.00		3,056,422.95	33,066,422.95	5.8
1999	—		3,068,069.36	3,068,069.36	.5
2000	—		1,389,527.04	1,389,527.04	.2
2001	—		765,263.24	765,263.24	.1
2002	—		789,178.32	789,178.32	.1
2003	—		860,633.04	860,633.04	.2
2004	—		593,274.53	593,274.53	.1
2005	—		649,816.33	649,816.33	.1
2006	—		469,255.08	469,255.08	.1
2007	—		427,261.63	427,261.63	.1
2008	—		472,690.29	472,690.29	.1
2009	—		522,955.92	522,955.92	.1
2010	—		234,688.73	234,688.73	—
GROSS DEBT	$483,026,000.00		$ 84,047,465.52	$567,073,465.52	100.0%
Less Sinking Fund Reserve				176,549,307.39	
NET DEBT				$390,524,158.13	

* Of the $103,620,000 Sinking Fund Debt that matures in 1986, $84,417,719.87 will have to be refinanced.

** Of the $62,200,000 Sinking Dund Debt that matures in 1990, $41,711,553.12 will have to be refinanced.

*** Of the $60,260,000 Sinking Fund Debt that matures in 1991, $38,275,507.83 will have to be refinanced.

Underlaying Assumptions:

— By-Law No. 2971/81 $50,000,000 15¾% will be called by the City on June 30, 1986.

— By-Law No. 2622/80 $25,000,000 14% will be extended by the holders from May 16, 1988 to May 16, 1996.

Annual Debenture Debt Service Charges

On Existing Debt as at December 31, 1985

Year	TAX SUPPORTED (Including Transit System)			SELF SUPPORTING UTILITIES (Hydro, Steam, Water Works & Sewage Disposal)			
	Principal	Interest	Sub-Total	Principal	Interest	Sub-Total	Total
1986	$ 17,064,585.25	$ 43,075,358.97	$ 60,139,944.22	$ 6,112,606.60	$ 18,710,672.40	$ 24,823,279.00	$ 84,963,223.22
1987	16,035,702.08	36,505,515.79	52,541,217.87	5,326,942.51	15,423,644.60	20,750,587.11	73,291,804.98
1988	14,217,918.81	31,027,707.34	45,245,626.15	5,251,561.04	13,089,089.08	18,340,650.12	63,586,276.27
1989	11,002,331.55	22,188,347.84	33,190,679.39	4,082,156.03	9,861,525.94	13,943,681.97	47,134,361.36
1990	11,011,845.11	20,549,637.35	31,561,482.46	3,825,782.22	9,152,403.12	12,978,185.34	44,539,667.80
1991	7,551,385.18	14,922,178.77	22,473,563.95	3,459,659.84	7,610,234.36	11,069,894.20	33,543,458.15
1992	6,112,418.21	9,042,498.63	15,154,916.84	3,137,246.10	5,862,215.45	8,999,461.55	24,154,378.39
1993	4,790,072.26	7,855,771.76	12,645,844.02	2,929,308.83	5,160,746.92	8,090,055.75	20,735,899.77
1994	4,557,328.14	7,243,595.62	11,800,923.76	2,805,160.53	4,527,583.21	7,332,743.74	19,133,667.50
1995	4,744,020.14	6,581,657.45	11,325,677.59	2,485,390.58	3,727,655.33	6,213,045.91	17,538,723.50
1996	3,062,139.58	4,328,548.07	7,390,687.65	1,958,726.64	2,668,979.47	4,627,706.11	12,018,393.76
1997	1,770,297.33	2,533,449.68	4,303,747.01	1,548,286.35	1,869,809.61	3,418,095.96	7,721,842.97
1998	1,762,055.50	1,388,656.09	3,150,711.59	1,622,630.39	1,270,617.64	2,893,248.03	6,043,959.62
1999	1,164,332.72	244,027.65	1,408,360.37	1,324,734.46	663,267.48	1,988,001.94	3,396,362.31
2000	84,539.60	154,918.52	239,458.12	1,305,207.44	538,828.00	1,844,035.44	2,083,493.56
2001	93,204.91	146,253.21	239,458.12	672,058.33	416,173.11	1,088,231.44	1,327,689.56
2002	102,758.40	136,699.72	239,458.12	686,419.92	356,806.24	1,043,226.16	1,282,684.28
2003	113,291.14	126,166.98	239,458.12	747,341.90	295,884.26	1,043,226.16	1,282,684.28
2004	124,903.48	114,554.64	239,458.12	468,371.05	229,431.26	697,802.31	937,260.43
2005	137,706.09	101,752.03	239,458.12	512,110.24	185,691.75	697,801.99	937,260.11
2006	151,820.96	87,637.16	239,458.12	317,434.12	137,751.67	455,185.79	694,643.91
2007	167,382.61	72,075.51	239,458.12	259,879.02	103,972.55	363,851.57	603,309.69
2008	184,539.33	54,918.79	239,458.12	288,150.96	75,700.61	363,851.57	603,309.69
2009	203,455.50	36,003.51	239,459.01	319,500.42	44,352.02	363,852.44	603,311.45
2010	147,798.23	15,149.32	162,947.55	86,890.50	9,591.76	96,482.26	259,429.81
	$106,357,832.11	$208,533,080.40	$314,890,912.51	$51,533,556.02	$101,992,627.84	$153,526,183.86	$468,417,096.37

NOTES
(1) Fixed annual charges are on a 'Cash Basis' and not 'Accrual Basis'.
(2) Principal includes annual Levies paid to Sinking Fund.

Debenture Debt
Summary of Maturities by Purposes

Maturity Year	General Inc. City's Share L.I.	Ratepayers' Share Local Imp.	Schools	Hydro Electric System	Steam Heating System	Transit System	Water Works System	Sewage Disposal System	Total
1986	$ 78.458.303.72	$ 408.106.93	$ 389.000.00	$ 1.176.000.00	$17.000.00	$ 2.000.000.00	$ 10.451.611.14	$ 18.263.115.36	$111.163.137.15
1987	44.854.277.47	10.804.065.15	224.000.00	37.000.00	18.000.00	—	7.071.654.41	5.355.758.66	68.364.755.69
1988	23.507.726.96	245.027.21	238.000.00	2.639.000.00	19.000.00	4.500.000.00	5.373.540.75	1.648.149.83	38.170.444.75
1989	15.549.592.27	270.541.43	—	4.825.325.08	—	2.000.000.00	3.650.734.94	5.502.844.97	31.799.038.69
1990	52.189.521.49	69.004.47	—	5.000.000.00	—	2.100.000.00	3.203.731.26	7.465.748.55	70.028.005.77
1991	49.232.731.02	81.904.96	—	11.000.000.00	—	—	2.140.642.70	3.702.789.98	66.158.068.66
1992	8.381.435.98	—	—	—	—	—	4.444.689.41	1.097.671.41	13.923.796.80
1993	8.855.129.15	—	—	—	—	—	2.476.662.05	1.175.779.80	12.507.571.00
1994	3.806.666.30	—	—	10.000.000.00	—	—	343.738.44	1.251.818.60	15.402.223.34
1995	8.508.479.59	—	—	—	—	—	2.872.113.46	3.705.999.50	15.086.592.55
1996	42.977.811.96	—	—	20.500.000.00	—	1.500.000.00	9.890.968.10	3.311.693.86	78.180.473.92
1997	1.744.460.26	—	—	—	—	—	368.386.93	877.473.55	2.990.320.74
1998	21.736.218.43	—	—	2.000.000.00	—	—	3.901.355.55	5.418.848.97	33.056.422.95
1999	1.743.334.90	—	—	—	—	—	339.040.97	985.693.49	3.068.069.36
2000	84.539.60	—	—	—	—	—	353.839.15	951.148.29	1.389.527.04
2001	93.204.91	—	—	—	—	—	—	672.058.33	765.263.24
2002	102.758.40	—	—	—	—	—	—	686.419.92	789.178.32
2003	113.291.14	—	—	—	—	—	—	747.341.90	860.633.04
2004	124.903.48	—	—	—	—	—	—	468.371.05	593.274.53
2005	137.706.09	—	—	—	—	—	—	512.110.24	649.816.33
2006	151.820.96	—	—	—	—	—	—	317.434.12	469.255.08
2007	167.382.61	—	—	—	—	—	—	259.879.02	427.261.63
2008	184.539.33	—	—	—	—	—	—	288.150.96	472.690.29
2009	203.455.50	—	—	—	—	—	—	319.500.42	522.955.92
2010	147.798.23	—	—	—	—	—	—	86.890.50	234.688.73
	$363.057.089.75	$11.878.650.15	$851.000.00	$57.177.325.08	$54.000.00	$12.100.000.00	$56.882.709.26	$65.072.691.28	$567.073.465.52

Underlying Assuptions:

— By-Law No. 2971/81 $50,000,000 15¾% will be called by the City on June 30, 1986.

— By-Law No. 2622/80 $25,000,000 14% will be extended by the holders from May 16, 1988 to May 16, 1996.

Debenture Debt Changes 1985

Gross Debt as at January 1, 1985			$536,125,363.71
DEBT ISSUED DURING 1985			
Tax Supported Debt			
Street and Bridge System	$21,750,000.00		
Land Drainage	6,150,000.00		
Solid Waste Disposal	620,000.00		
Culture and Recreation	3,050,000.00		
Protection	680,000.00		
Health and Social Development	1,600,000.00		
General Government	226,000.00		
Civic Accomodations	480,000.00		
Core Area Initiative	4,919,000.00		
North Portage Development	500,000.00		
North Ellice Neighbourhood	25,000.00	$40,000,000.00	
Utilities Debt			
Hydro Electric System	2,000,000.00		
Transit System	1,000,000.00		
Waterworks System	1,000,000.00		
Sewage Disposal System	6,000,000.00	10,000,000.00	50,000,000.00
			586,125,363.71
DEBT RETIRED DURING 1985			
Tax Supported Debt			
Local Improvements—City's Share	126,986.21		
Local Improvements—Property Owners' Share	470,310.81	597,297.02	
Streets & Bridge System	4,031,898.66		
Land Drainage	3,659,285.08		
Solid Waste Disposal	237,618.70		
Culture & Recreation	895,572.01		
Protection	198,754.20		
Health & Social Development	1,820,157.21		
General Government	275,832.84		
Downtown Parking	66,666.70		
Convention Centre	595,250.96		
Civic Accomodations	492,196.83		
City Developments/Development Agreements	66,666.70		
Old Market Square	109,181.53		
Overhead Walkways	9,680.53	12,458,761.95	
Schools		1,567,000.00	
Utilities Debt			
Hydro Electric System	1,166,000.00		
Steam Heating System	16,000.00		
Water Works System	2,531,642.27		
Sewage Disposal System	715,196.95	4,428,839.22	19,051,898.19
Gross Debt as at December 31, 1985			$567,073,465.52

The City of Winnipeg Debenture Debt Issues

As at December 31, 1985

	Term	Month	Rate of Interest	By-Law No.	Payable at	Cities	Amount of Debt	Total
	THE CITY OF WINNIPEG							
	Sinking Fund Debt							
	1981-86	Oct. 15	17	3064/81	R.B. Trust Co.	N.Y. PR. Paying Agent	$ 50,000,000.00	$ 50,000,000.00
	1977-87	Feb. 1	8¾	1468/77	R.B.	Any Branch in Canada	5,500,000.00	
	1977-87	May 15	8¼	1586/77	R.B. Trust Co.	N.Y. PR. Paying Agent	40,000,000.00	
	1977-87	Dec. 15	8½	1812/77	R.B.	Any Branch in Canada	5,000,000.00	50,500,000.00
	1978-88	Feb. 1	9	1852/78	R.B.	Any Branch in Canada	13,000,000.00	
(E)	1980-88/96	May 16	14	2622/80	R.B.	Any Branch in Canada	25,000,000.00	
(C)	1981-88	June 30	15¾	2971/81	R.B. Trust Co.	N.Y. PR. Paying Agent	50,000,000.00	88,000,000.00
	1974-89	Nov. 1	8¾	749/74	R.B.	Any Branch in Canada	266,000.00	
	1974-89	Nov. 1	10¾	800/74	R.B.	Any Branch in Canada	2,210,000.00	2,476,000.00
	1985-90	July 16	10 5/8	4025/85	Orion Royal	London PR P.A.	50,000,000.00	50,000,000.00
	1984-91	Sept. 30	12¾	3807/84	Orion Royal	London PR. P.A.	50,000,000.00	50,000,000.00
	1982-92	Dec. 31	12¾	3327/82	R.B.	Any Branch in Canada	7,500,000.00	7,500,000.00
	1973-93	June 1	8 1/8	383/73	B. of M.	Any Branch in Canada	7,000,000.00	7,000,000.00
	1974-94	Apr. 1	8¾	585/74	R.B.	Any Branch in Canada	10,000,000.00	10,000,000.00
	1975-95	Mar. 17	9¾	885/75	R.B.	Any Branch in Canada	10,000,000.00	10,000,000.00
(C)	1976-91/96	Mar. 1	9¼	1158/76	R.B. Trust Co.	N.Y.	50,000,000.00	50,000,000.00
	1978-98	Feb. 1	9¾	1853/78	R.B.	Any Branch in Canada	30,000,000.00	30,000,000.00
								$405,476,000.00
	Serial & Instalment Debt							
	1980-90	Dec. 31	13½	2835/80	R.B.	Any Branch in Canada	$ 8,492,000.00	
	1982-92	Dec. 31	12 3/8	3326/82	R.B.	Any Branch in Canada	6,078,000.00	
(C)	1973-93	Mar. 23	6.98	685/74	R.B.	W.	1,044,715.96	
	1983-93	Dec. 15	6 3/8	3614/83	R.B.	W.O.	125,623.28	
	1974-94	Aug. 1	10¾	750/74	R.B.	Any Branch in Canada	4,500,000.00	
	1980-95	Dec. 31	13½	2834/80	R.B.	Any Branch in Canada	9,289,000.00	
	1979-99	Jan. 23	9¾	2179/79	R.B. Trust Co.	N.Y.	23,333,332.50	
(C)	1979-99	Feb. 1	10	2316/79	R.B.	W.O.	316,793.70	
(C)	1979-99	Apr. 1	9 5/8	2402/79	R.B.	W.O.	447,567.37	
(C)	1979-99	Apr. 1	9 5/8	2403/79	R.B.	W.O.	141,885.68	
(C)	1980-2000	May 1	11	2675/80	R.B.	W.O.	474,919.88	
(C)	1980-2000	May 1	9½	2676/80	R.B.	W.O.	2,341,294.75	
(C)	1980-2000	June 1	9 5/8	2709/80	R.B.	W.O.	58,814.31	
(C)	1980-2000	June 1	10	2710/80	R.B.	W.O.	85,738.59	
(C)	1980-2000	Oct. 1	10	2813/80	R.B.	W.O.	2,420,929.38	
(C)	1973-2003	Jan. 1	8¼	597/74	R.B.	W.O.	61,161.70	
(C)	1973-2003	June 1	8¼	598/74	R.B.	W.O.	2,606,993.01	
(C)	1973-2003	Jan. 1	7¾	599/74	R.B.	W.O.	43,394.75	
(C)	1973-2003	Jan. 1	7½	600/74	R.B.	W.O.	66,288.38	
(C)	1973-2003	Jan. 1	7¼	601/74	R.B.	W.O.	206,608.79	
(C)	1973-2003	Jan. 1	7½	602/74	R.B.	W.O.	53,778.19	
(C)	1973-2003	Dec. 1	8¼	684/74	R.B.	W.O.	129,072.10	
(C)	1975-2005	Apr. 1	7½	996/75	R.B.	W.O.	380,854.86	
(C)	1975-2005	Apr. 1	7 7/8	997/75	R.B.	W.O.	598,976.01	
(C)	1975-2005	Apr. 1	7½	998/75	R.B.	W.O.	34,051.69	
(C)	1975-2005	Nov. 1	7½	1292/76	R.B.	W.O.	1,415,493.67	
(C)	1976-2006	Jan. 1	8	1293/76	R.B.	W.O.	51,500.14	
(C)	1976-2006	Feb. 1	10¾	1294/76	R.B.	W.O.	467,431.25	
(C)	1976-2006	Dec. 1	8	1482/77	R.B.	W.O.	143,204.80	
(C)	1976-2006	Dec. 1	8	1483/77	R.B.	W.O.	134,773.84	
(C)	1979-2009	Jan. 1	10 3/8	2476/79	R.B.	W.O.	1,222,121.97	
(C)	1979-2009	Apr. 1	10¾	2401/79	R.B.	W.O.	1,038,057.87	
(C)	1979-2009	June 1	10	2424/79	R.B.	W.O.	674,681.85	
(C)	1980-2010	Jan. 1	10	2581/80	R.B.	W.O.	1,451,099.67	
(C)	1980-2010	June 1	10¾	2708/80	R.B.	W.O.	810,256.25	$ 70,740,416.19
	GROSS DEBT (The City of Winnipeg)							$476,216,416.19

THE CITY OF WINNIPEG
DEBENTURE DEBT ISSUES—Continued

	Term	Month	Rate of Interest	By-Law No	Payable at	Cities	Amount of Debt	Total
	CITY OF WINNIPEG (Former)							
	Sinking Fund Debt							
	1966-86	Apr 13	6¼	19295	B. of M.	W.H.M.T.L.R.E.C.V.V.	$ 620,000.00	
	1966-86	Dec 1	6 3/8	19359	B. of M.	W.H.M.T.L.R.E.C.V.V.	2,500,000.00	3,120,000.00
	1967-87	June 1	6¼	19430	B. of M.	W.H.M.T.L.R.E.C.V.V.	2,800,000.00	2,800,000.00
(C)	1968-83/88	Jan 2	6¾	19488	B. of M.	N.Y.	3,000,000.00	
	1968-88	June 1	7½	19573	B. of M.	W.H.M.T.L.R.E.C.V.V.	2,000,000.00	5,000,000.00
	1969-89	May 1	8¼	19679	B. of M.	W.H.M.T.L.R.E.C.V.V.	500,000.00	
(C)	1964-84/89	Nov 1	4¾	19050	B. of M.	N.Y.	6,500,000.00	7,000,000.00
	1970-90	Dec 1	9¼	19775	B. of M.	W.H.M.T.L.R.E.C.V.V.	3,000,000.00	3,000,000.00
	1971-91	June 15	8½	19829	B. of M.	W.H.M.T.L.R.E.C.V.V.	1,560,000.00	
	1971-91	Dec 1	7¾	19852	B. of M.	W.H.M.T.L.R.E.C.V.V.	5,000,000.00	6,560,000.00
								$27,480,000.00
	Serial & Instalment Debt							
(C)	1971-86	July 2	6 3/8	19834	B. of M.	W.O.	$ 8,178.22	
	1961-86	Nov 1	5¼&5½	18623	B. of M.	W.H.M.T.R.E.C.V.V.	437,000.00	
	1963-88	Oct 1	5½&5¾	18869	B. of M.	W.H.M.T.L.R.E.C.V.V.	1,698,000.00	
(C)	1966-91	Feb 1	5 3/8	19230	B. of M.	W.	172,795.41	
(C)	1966-91	Apr 1	5 3/8	19297	B. of M.	W.	105,992.03	
(C)	1966-91	June 1	5¼	19321	B. of M.	W.	93,264.14	
(C)	1966-91	June 1	5 3/8	19322	B. of M.	W.	123,612.50	
(C)	1966-91	Aug 1	5 3/8	19336	B. of M.	W.	433,852.23	
(C)	1966-91	Oct 1	5 3/8	19351	B. of M.	W.	726,721.33	
(C)	1966-91	Dec 1	5 5/8	19363	B. of M.	W.	100,205.30	$ 3,899,621.16
	GROSS DEBT (Former City of Winnipeg)							$31,379,621.16

THE CITY OF WINNIPEG
DEBENTURE DEBT ISSUES—Continued

	Term	Month	Rate of Interest	By-Law No.	Payable at	Cities	Amount of Debt	Total
	THE METROPOLITAN CORPORATION OF GREATER WINNIPEG							
	Sinking Fund Debt							
	1967-87	Mar. 1	6	1159	C.I.B.C.	Any Branch in Canada	$ 3,000,000.00	
	1967-85/87	Nov. 1	6½	1223	B of M Trust Co	N.Y.	4,200,000.00	$ 7,200,000.00
(C)	1968-83/88	May 1	7¼	1308	B of M Trust Co	N.Y.	3,000,000.00	
(C)	1968-85/88	Dec. 1	7½	1421	B of M Trust Co	N.Y.	5,000,000.00	
	1963-88	Dec. 2	5½	514	R.B.	Any Branch in Canada	4,000,000.00	12,000,000.00
	1964-89	May 1	5½	579	T.D.	Any Branch in Canada	4,970,000.00	
	1969-89	July 1	8	1533	B of M Trust Co	N.Y.	5,000,000.00	
(C)	1964-84/89	Oct. 1	4¾	710	B of M Trust Co	N.Y.	4,500,000.00	14,470,000.00
	1970-90	Feb. 1	9½	1633	T.D.	Any Branch in Canada	2,500,000.00	
	1965-90	Apr. 1	5½	814	B. of N.S.	Any Branch in Canada	2,200,000.00	
	1970-90	Oct. 1	9¼	1719	B. of N.S.	Any Branch in Canada	4,000,000.00	8,700,000.00
	1971-91	Apr. 1	7½	1802	B. of M.	Any Branch in Canada	2,000,000.00	
	1971-91	Nov. 1	8¼	1891	C.I.B.C.	Any Branch in Canada	1,200,000.00	3,200,000.00
								$45,570,000.00
	Serial & Instalment Debt							
(C)	1967-87	Feb. 1	5 5/8	1168	B. of M.	W.	$ 19,232.99	
(C)	1967-87	Sept. 1	5 5/8	1244	B. of M.	W.	30,294.00	
	1963-93	May 1	5¼	386	C.I.B.C.	Any Branch in Canada	1,370,000.00	
(C)	1963-93	Nov. 1	5 1/8	586	B. of M.	W.O.	52,109.64	
(C)	1964-94	Mar. 1	5 1/8	700	B. of M	W.O.	63,984.13	
(C)	1964-94	Aug. 1	5 1/8	761	B. of M.	W.O.	429,702.55	
(C)	1964-94	Aug. 1	5 1/8	859	B. of M.	W.O.	286,210.51	
(C)	1964-94	Aug. 1	5¼	860	B. of M.	W.O.	141,794.36	
(C)	1964-94	Dec. 1	5 3/8	900	B. of M.	W.O.	36,453.98	
(C)	1965-95	July 1	5 1/8	887	B. of M.	W.O.	2,829,003.09	
(C)	1965-95	July 2	5 3/8	858	B. of M.	W.	91,350.00	
(C)	1965-95	Sept. 1	5 3/8	1032	B. of M	W.O.	71,750.18	
(C)	1965-95	Sept. 1	5 1/8	1135	B. of M.	W.O.	569,822.03	
(C)	1965-95	Dec. 1	5 1/8	1033	B. of M.	W.O.	235,927.51	
	1966-96	Mar. 1	6	1005	B. of M.	Any Branch in Canada	2,006,000.00	
(C)	1966-96	Apr. 1	5 3/8	1013	B. of M.	W.	167,062.38	
(C)	1966-96	Apr. 1	5 3/8	1108	B. of M.	W.	169,606.12	
(C)	1966-96	Oct. 1	5 3/8	1163	B. of M.	W.	170,138.03	
(C)	1967-97	Sept. 1	5 5/8	1243	B. of M.	W.	132,965.77	
(C)	1967-97	Dec. 1	5 1/8	1279	B. of M.	W.O.	29,866.14	
(C)	1967-97	Dec. 1	5 7/8	1280	B. of M.	W.O.	266,923.80	
(C)	1967-97	Dec. 1	5 1/8	1348	B. of M.	W.O.	19,042.20	
(C)	1968-98	Oct. 1	6¼	1443	B. of M.	W.O.	147,043.24	
(C)	1968-98	Nov. 1	5 5/8	1466	B. of M.	W.	890,242.91	
(C)	1969-99	May 1	6 3/8	1545	B. of M.	W.O.	191,392.88	
(C)	1970-2000	Jan. 1	6 7/8	1679	B. of M.	W.O.	24,927.29	
(C)	1970-2000	Jan. 1	6¼	1692	B. of M.	W.O.	155,309.21	
(C)	1970-2000	Oct. 1	6 7/8	1766	B. of M.	W.O.	222,157.77	
(C)	1971-2001	Sept. 1	8¼	1923	B. of M.	W.O.	387,877.82	$11,208,190.53
	GROSS DEBT (Former Metropolitan Corporation of Greater Winnipeg)							$56,778,190.53

THE CITY OF WINNIPEG
DEBENTURE DEBT ISSUES—Continued

Term	Month	Rate of Interest	By-Law No.	Payable at	Cities	Amount of Debt	Total
RURAL MUNICIPALITY OF CHARLESWOOD							
1967-86	Dec. 1	5 5/8	1489A	B. of M.	W.	$ 26,705.64	
1969-89	Nov. 1	8	1659	B. of M.	W.	87,000.00	
1971-90	Dec. 1	8	1741	B. of M.	W.	17,000.00	$130,705.64
RURAL MUNICIPALITY OF FORT GARRY							
1966-86	Dec. 1	5 5/8	5032	R.B.	W.	$ 8,477.24	
1968-87	Jan. 2	7	5184	R.B.	W.	12,000.00	
1967-87	Apr. 1	5 7/8	5092A	R.B.	W.	13,993.30	
1969-87	Dec. 1	8	5345	R.B.	W.	12,000.00	
1971-91	Dec. 1	8¼	5485	R.B.	W.	34,362.59	$ 80,833.13
RURAL MUNICIPALITY OF NORTH KILDONAN							
1967-86	Dec. 1	5 5/8	1812	C.I.B.C.	W.	$ 56,702.82	
1968-86	Dec. 1	7	1903	C.I.B.C.	W.	10,000.00	$ 66,702.82
RURAL MUNICIPALITY OF OLD KILDONAN							
1966-86	Nov. 1	6	728	R.B.	W.	$ 583.66	$ 583.66
CITY OF ST. BONIFACE							
1966-86	Sept. 1	6	4583	B.C.N.	W.	$ 41,000.00	
1967-86	Dec. 31	6	4673	B.C.N.	W.	3,385.74	
1967-86	Dec. 31	6	4676	B.C.N.	W.	3,714.72	
1967-86	Dec. 31	6	4677	B.C.N.	W.	6,556.12	
1967-86	Dec. 31	6	4695	B.C.N.	W.	1,072.62	
1968-87	Dec. 31	6	4747	B.C.N.	W.	10,859.60	
1968-87	Dec. 31	6	4748	B.C.N.	W.	1,807.25	
1968-87	Dec. 31	6	4756B	B.C.N.	W.	4,583.38	
1969-88	Dec. 31	7	4795B	B.C.N.	W.	34,354.64	
1969-89	Oct. 1	7	4772B	B.C.N.	W.	80,000.00	
1970-89	Dec. 31	7	4853	B.C.N.	W.	7,163.67	
1971-90	Dec. 31	9	4892	B.C.N.	W.	5,980.84	
1971-90	Dec. 31	9	4893	B.C.N.	W.	8,188.50	
1971-90	Dec. 31	7	4897	B.C.N.	W.	66,293.51	
1971-90	Dec. 31	9	4904	B.C.N.	W.	21,431.12	$296,391.71
CITY OF ST. JAMES-ASSINIBOIA							
1966-86	Dec. 1	5 3/8	10566A	R.B.	W.	$ 23,576.84	
1966-86	Dec. 1	5¼	10566B	R.B.	W.	11,679.66	
1967-86	Dec. 31	7	4100	B. of N.S.	W.	28,000.00	
1967-87	Dec. 31	7	4200	R.B.	W.	68,330.05	$131,586.55

THE CITY OF WINNIPEG
DEBENTURE DEBT ISSUES—Continued

Term	Month	Rate of Interest	By-Law No.	Payable at	Cities	Amount of Debt	Total
CITY OF ST. VITAL							
1968-88	Oct. 1	8	8137	C.I.B.C.	W.	$131,000.00	
1968-88	Dec. 31	8	8217	C.I.B.C.	W.	26,248.30	
1969-89	Dec. 31	9¼	8372	C.I.B.C.	W.	130,000.00	
1969-89	Dec. 31	8	8373	C.I.B.C.	W.	101,000.00	
1970-90	Mar. 31	9¼	8376	C.I.B.C.	W.	65,000.00	$ 453,248.30
CITY OF TRANSCONA							
1968-87	Dec. 1	8	15/68	T.D.	W.	$205,000.00	
1969-88	Dec. 1	8	37/69	T.D.	W.	420,000.00	
1969-89	Dec. 1	8	104/69	T.D.	W.	77,000.00	
1970-90	Dec. 1	9¼	69/70	T.D.	W.	134,000.00	
1970-90	Dec. 1	9¼	70/70	T.D.	W.	133,000.00	$ 969,000.00
TOWN OF TUXEDO							
1967-87	Sept. 1	7	1132	B. of M.	W.	$ 55,000.00	
1968-88	July 1	8	1149	B. of M.	W.	88,000.00	
1969-89	July 1	8	1180	B. of M.	W.	44,000.00	
1970-90	Dec. 1	9¼	1218/ 1223	B. of M.	W.	167,000.00	
1971-91	July 1	9	1239B	B. of M.	W.	110,000.00	$ 464,000.00
CITY OF WEST KILDONAN							
1968-95	Dec. 1	NIL	16/68/B	R.B.	W.	$ 66,786.80	
1965-95	Dec. 31	6	68/66/B	R.B.	W.	39,399.03	$ 106,185.83
GROSS DEBT (Other Areas)							$ 2,699,237.64
TOTAL DEBT							$567,073,465.52

(C) Callable
(E) Extended/Extendible

R.B.	Royal Bank of Canada
B. of M.	Bank of Montreal
C.I.B.C.	Canadian Imperial Bank of Commerce
B. of N.S.	Bank of Nova Scotia
T.D.	Toronto-Dominion Bank
B.C.N.	Banque Canadienne Nationale
B. of M. Trust Co.	Bank of Montreal Trust Co., New York
R.B. Trust Co.	The Royal Bank and Trust Co., New York
Orion Royal	Orion Royal Bank Limited

W.	Winnipeg
H.	Hamilton
M.	Montreal
L.	London
T.	Toronto
R.	Regina
E.	Edmonton
C.	Calgary
V.	Vancouver
V.V.	Vancouver, Victoria
N.Y.	New York
W.O.	Winnipeg, Ottawa

General Debenture Debt

Purpose of Issue	By-Law No	Amount of Debt	Issued By	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1986 Interest	Annual Charges 1986 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1985
Street and Bridge System										
(Street Improvements, Street Lighting, Bridges and Underpasses)	3064/81	$ 4,620,912.00	UW	Oct. 15, 1981-86	NY	5	17	$ 785,555.04	$ 138,627.36	$ 603,803.69(1)
	18623	14,000.00	W	Nov. 1, 1961-86	C	Serial	5¼ & 5½	770.00	14,000.00	—
	1159	1,405,000.00	M	Mar. 1, 1967-87	C	4	6	84,300.00	47,183.00	1,250,472.22
	1586/77	8,500,000.00	UW	May 15, 1977-87	NY	5	8¼	701,250.00	255,000.00(3)	6,656,501.12(1)
	1223	3,670,000.00	M	Nov. 1, 1967-85/87	NY	4	6½	238,550.00	123,245.00	3,181,451.43(1)
	1308	1,160,000.00	M	May 1, 1968-83/88	NY	4	7¼	84,100.00	—	1,160,000.00(1)(6)
	2622/80(E)	1,000,000.00	UW	May 16, 1980-88	C	5	14	140,000.00	50,000.00	284,948.47
	2971/81	3,000,000.00	UW	June 30, 1981-88	NY	5	15¾	472,500.00	90,000.00	397,688.55(1)
	514	700,000.00	M	Dec. 2, 1963-88	C	3½	5½	38,500.00	17,972.00	582,630.74
	579	810,000.00	M	May 1, 1964-89	C	3½	5½	44,550.00	20,796.00	644,212.11
	1533	2,350,000.00	M	July 1, 1969-89	NY	4	8	188,000.00	78,917.00	1,756,867.42(1)
	710	550,000.00	M	Oct. 1, 1964-84/89	NY	3½	4¾	26,125.00	14,121.00	431,165.00(1)
	1633	500,000.00	M	Feb. 1, 1970-90	C	4	9½	47,500.00	16,791.00	348,485.66
	814	1,200,000.00	M	Apr. 1, 1965-90	C	3½	5½	66,000.00	30,809.00	894,160.41
	4025/85	21,750,000.00	UW	July 16, 1985-90	Lon	5	10 5/8	2,310,937.50	652,500.00	—
	1719	2,050,000.00	M	Oct. 1, 1970-90	C	4	9¼	189,625.00	68,843.00	1,392,230.90
	2835/80	738,936.38	UW	Dec. 31, 1980-90	C	Serial	13½	99,755.74	112,945.47	—
	1802	1,220,000.00	M	Apr. 1, 1971-91	C	4	7½	91,500.00	40,970.00	771,922.72
	3807/84	18,485,200.00	UW	Sept. 30, 1984-91	Lon	5	12¼	2,356,863.00	554,556.00	561,545.07
	3327/82	3,500,000.00	UW	Dec. 31, 1982-92	C	5	12¾	446,250.00	278,266.01	877,233.60
	386	299,000.00	M	May 1, 1963-93	C	Serial	5¼	14,883.75	31,000.00	—
	2834/80	9,289,000.00	UW	Dec. 31, 1980-95	C	Serial	13½	1,254,015.00	492,000.00	—
	1005	1,663,000.00	M	Mar. 1, 1966-96	C	Serial	6	96,450.00	111,000.00	—
	1158/76	6,230,000.00	UW	Mar. 1, 1976-91/96	NY	5	9¼	576,275.00	188,411.32	2,164,330.39(1)
	2179/79	13,066,666.20	UW	Jan. 23, 1979-99	NY	Serial	9¾	1,228,499.92	609,085.58	3,359,981.33(4)
		$107,771,714.58						$11,582,754.95	$4,037,038.74	$27,319,630.83

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.
(3) Principal amount does not include $420,788.89 provided from General Revenue Fund appropriations and/or Sinking Fund Surplus to maintain full Sinking Fund provision at maturity.
(4) Deferred Serial—Provision for repayment on Sinking Fund basis.
(6) Extended to May 1, 1988, Fully Accumulated as at May 1, 1983.
(E) Extendible to May 16, 1996 at 14%.

GENERAL DEBENTURE DEBT—Continued

Purpose of Issue	By-Law No.	Amount of Debt	Issued By	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1986 Interest	Annual Charges 1986 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1985
Land Drainage										
(Storm Water Relief Sewers, Drainage Sewers and Flood Control)	19295	$ 100,000.00	W	Apr. 18, 1966-86	C	4	6¼	$ 3,125.00	$ 3,358.17	$ 95,541.83
	3064/81	12,000,000.00	UW	Oct. 15, 1981-86	NY	5	17	2,040,000.00	360,000.00	1,568,011.75(1)
	19359	500,000.00	W	Dec. 1, 1966-86	C	4	6 3/8	31,875.00	16,790.87	466,151.52
	1586/77	3,186,000.00	UW	May 15, 1977-87	NY	5	8¼	262,845.00	95,580.00(3)	2,495,013.18(1)
	19430	300,000.00	W	June 1, 1967-87	C	4	6¼	18,750.00	10,074.52	264,396.06
	2622/80(E)	1,800,000.00	UW	May 16, 1980-88	C	5	14	252,000.00	90,000.00	512,907.26
	19573	565,000.00	W	June 1, 1968-88	C	4	7½	42,375.00	18,973.69	460,124.68
	2971/81	24,000,000.00	UW	June 30, 1981-88	NY	5	15¼	3,780,000.00	720,000.00	3,181,508.43(1)
	18869	143,000.00	W	Oct. 1, 1963-88	C	Serial	5½ & 5¾	8,222.50	45,000.00	—
	19679	245,000.00	W	May 1, 1969-89	C	4	8¼	20,212.50	8,227.53	184,363.40
	749/74	88,668.44	UW	Nov. 1, 1974-89	C	5	8¼	7,758.49	4,109.10	58,856.97
	800/74	736,681.40	UW	Nov. 1, 1974-89	C	5	10¼	79,193.25	34,139.50	488,999.40
	4025/85	6,150,000.00	UW	July 16, 1985-90	Lon	5	10 5/8	653,437.50	184,500.00	—
	2835/80	2,936,758.40	UW	Dec. 31, 1980-90	C	Serial	13½	396,461.84	448,882.15	—
	19230	172,795.41	W	Feb. 1, 1966-91	C	Instal	5 5/8	9,287.75	25,165.32	—
	19321	93,264.14	W	June 1, 1966-91	C	Instal	5¼	4,896.36	13,625.47	—
	19322	123,612.50	W	June 1, 1966-91	C	Instal	5 3/8	6,644.17	18,002.49	—
	3807/84	10,103,400.00	UW	Sept. 30, 1984-91	Lon	5	12¼	1,288,183.50	303,102.00	306,921.99
	19363	100,205.30	W	Dec. 1, 1966-91	C	Instal	5 5/8	5,636.55	14,501.99	—
	19852	1,000,000.00	W	Dec. 1, 1971-91	C	4	7¼	77,500.00	33,581.75	616,293.92
	3326/82	2,431,200.00	UW	Dec. 31, 1982-92	C	Serial	12 3/8	300,861.00	238,400.00	—
	885/75	3,500,000.00	UW	Mar. 17, 1975-95	C	5	9¼	341,250.00	105,849.05	1,384,065.12
	1158/76	10,000,000.00	UW	Mar. 1, 1976-91/96	NY	5	9¼	925,000.00	302,425.87	3,474,045.50(1)
	1853/78	11,000,000.00	UW	Feb. 1, 1978-98	C	5	9¼	1,072,500.00	332,668.46	2,832,145.51
	2179/79	1,866,666.60	UW	Jan. 23, 1979-99	NY	Serial	9¼	175,499.98	87,012.23	479,997.36(4)
	2424/79	674,681.85	UW	June 1, 1979-2009	C	Instal.	10	69,154.89	7,355.90	—
	2581/80	1,451,099.67	UW	Jan. 1, 1980-2010	C	Instal	10	148,737.72	14,209.61	—
	Various	17,659.97	FG	Various to 1987	C	Ser & Instal	5 3/8 - 9¼	1,188.94	12,559.97	—
	Various	5,190.55	SJ	Various to 1987	C	Ser & Instal	5¾ to 7	362.18	3,769.23	—
	Various	314,240.00	SV	Various to 1990	C	Ser & Instal	8 to 9¼	26,747.95	78,640.00	—
	Various	721,440.00	TR	Various to 1990	C	Serial	8 to 9¼	58,837.45	236,660.00	—
	Various	45,826.04	T	Various to 1990	C	Ser & Instal	5¼ to 9¼	4,060.63	9,621.26	—
		$96,372,390.27						$12,112,605.15	$3,876,786.13	$18,869,343.88

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.
(3) Principal amount does not include $157,721.57 provided from General Revenue Fund appropriations and/or Sinking Fund Surplus to maintain full Sinking Fund provision at maturity.
(4) Deferred Serial—Provision for repayment on Sinking Fund basis.
(E) Extendible to May 16, 1996 at 14%.

GENERAL DEBENTURE DEBT—Continued

Purpose of Issue	By-Law No.	Amount of Debt	Issued By	Term of Debt	Payable	Interest Rates %		Annual Charges 1986		Sinking Fund Reserve at Dec. 31, 1985
						Sinking Fund	Debt	Interest	Principal Amortization	
Solid Waste Disposal										
(Incinerators, Land Fill and Disposal Sites)	2971/81	$1,400,000.00	UW	June 30, 1981-88	NY	5	15¾	$220,500.00	$ 42,000.00	$ 185,588.00(1)
	4025/85	620,000.00	UW	July 16, 1985-90	Lon	5	10 5/8	65,875.00	18,600.00	—
	2835/80	819,802.19	UW	Dec. 31, 1980-90	C	Serial	13½	110,674.24	125,307.62	—
	3807/84	31,000.00	UW	Sept. 30, 1984-91	Lon	5	12¾	3,952.50	930.00	941.72
	3326/82	567,280.47	UW	Dec. 31, 1982-92	C	Serial	12 3/8	70,787.48	55,626.47	—
	68/66B	39,399.03	WK	Dec. 31, 1965-95	C	Instal.	6	2,363.95	2,989.12	—
	1853/78	2,500,000.00	UW	Feb. 1, 1978-98	C	5	9¾	243,750.00	75,606.47	643,669.44
	2179/79	933,333.30	UW	Jan. 23, 1979-99	NY	Serial	9¾	87,750.00	43,506.11	239,998.65(4)
		$ 6,910,814.99						$ 805,653.17	$364,565.79	$1,070,197.81
Culture and Recreation	19295	$ 165,000.00	W	Apr. 18, 1966-86	C	4	6¼	$ 5,156.25	$ 5,540.99	$ 157,644.28
(Parks, Swimming Pools, Arenas, Golf Courses, Zoo, Libraries, etc.)	4583	41,000.00	SB	Sept. 1, 1966-86	C	Serial	6	2,460.00	41,000.00	—
	3064/81	3,500,000.00	UW	Oct. 15, 1981-86	NY	5	17	595,000.00	105,000.00	457,336.77(1)
	10566A	23,576.84	SJ	Dec. 1, 1966-86	C	Instal.	5 3/8	1,267.26	23,576.84	—
	10566B	11,679.66	SJ	Dec. 1, 1966-86	C	Instal.	5¼	613.18	11,679.66	—
	1168	19,232.99	M	Feb. 1, 1967-87	C	Instal.	5 5/8	1,081.85	9,353.43	—
	1159	325,000.00	M	Mar. 1, 1967-87	C	4	6	19,500.00	10,914.00	289,249.39(1)
	1586/77	16,731,000.00	UW	May 15, 1977-87	NY	5	8¼	1,380,307.50	501,930.00(3)	13,102,343.49(1)
	1244	30,294.00	M	Sept. 1, 1967-87	C	Instal.	5 5/8	1,704.04	14,732.64	—
	1223	530,000.00	M	Nov. 1, 1967-85/87	NY	4	6½	34,450.00	17,798.00	459,438.24(1)
	1852/78	12,325,000.00	UW	Feb. 1, 1978-88	C	5	9	1,109,250.00	979,893.89	8,342,245.87
	1308	340,000.00	M	May 1, 1968-83/88	NY	4	7¼	24,650.00	—	340,000.00(1)(6)
	2622/80(E)	3,000,000.00	UW	May 16, 1980-88	C	5	14	420,000.00	150,000.00	854,845.43
	2971/81	7,600,000.00	UW	June 30, 1981-88	NY	5	15¼	1,197,000.00	228,000.00	1,007,477.67
	1533	650,000.00	M	July 1, 1969-89	NY	4	8	52,000.00	21,829.00	485,961.96(1)
	710	650,000.00	M	Oct. 1, 1964-84/89	NY	3½	4¾	30,875.00	16,688.00	509,544.75(1)
	1659	31,599.80	C	Nov. 1, 1969-89	C	Serial	8	2,527.98	14,524.00	—
	749/74	35,465.78	UW	Nov. 1, 1974-89	C	5	8¾	3,103.26	1,643.56	23,541.62
	800/74	294,659.30	UW	Nov. 1, 1974-89	C	5	10¾	31,675.87	13,655.19	195,591.00
	1633	400,000.00	M	Feb. 1, 1970-90	C	4	9½	38,000.00	13,433.00	278,792.68
	4025/85	3,050,000.00	UW	July 16, 1985-90	Lon	5	10 5/8	324,062.50	91,500.00	—
	1719	150,000.00	M	Oct. 1, 1970-90	C	4	9¼	13,875.00	5,037.00	101,864.64

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.
(3) Principal amount does not include $828,261.04 provided from General Revenue Fund appropriations and/or Sinking Fund Surplus to maintain full Sinking Fund provision at maturity.
(4) Deferred Serial—Provision for repayment on Sinking Fund basis.
(6) Extended to May 1, 1988, Fully Accumulated May 1, 1983.
(E) Extendible to May 16, 1996 at 14%.

GENERAL DEBENTURE DEBT—Continued

Purpose of Issue	By-Law No.	Amount of Debt	Issued By	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1986 Interest	Annual Charges 1986 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1985
Culture and Recreation—continued										
	70/70	$ 133,000.00	TR	Dec. 1, 1970-90	C	Serial	9¼	$ 12,302.50	$ 22,000.00	$ —
	2835/80	1,460,198.40	UW	Dec. 31, 1980-90	C	Serial	13½	197,126.92	223,191.10	—
	1802	60,000.00	M	Apr. 1, 1971-91	C	4	7½	4,500.00	2,015.00	37,964.95
	3807/84	2,703,760.00	UW	Sept. 30, 1984-91	Lon	5	12¾	344,729.40	81,112.80	82,135.06
	1891	300,000.00	M	Nov. 1, 1971-91	C	4	8¼	24,750.00	10,075.00	185,502.76
	3326/82	1,620,799.53	UW	Dec. 31, 1982-92	C	Serial	12 3/8	199,987.42	158,933.53	—
	383/73	900,000.00	UW	June 1, 1973-93	C	4	8 1/8	73,125.00	30,223.58	464,734.23
	885/75	1,500,000.00	UW	Mar. 17, 1975-95	C	5	9¾	146,250.00	45,363.88	593,170.73
	16/68B	66,786.80	WK	Dec. 1, 1968-95	C	Instal.	0	—	6,678.66	—
	1005	343,000.00	M	Mar. 1, 1966-96	C	Serial	6	19,890.00	23,000.00	—
	1158/76	15,000,000.00	UW	Mar. 1, 1976-91/96	NY	5	9¼	1,387,500.00	453,638.81	5,211,068.32(1)
	1243	132,965.77	M	Sept. 1, 1967-97	C	Instal.	5 5/8	7,479.32	8,056.01	—
	1853/78	1,500,000.00	UW	Feb. 1, 1978-98	C	5	9¾	146,250.00	45,363.88	386,201.65
	2179/79	933,333.30	UW	Jan. 23, 1979-99	NY	Serial	9 ¾	87,750.00	43,506.11	239,998.68(4)
		$76,557,352.17						$7,940,200.25	$3,430,887.56	$33,806,654.17
Protection	3064/81	$ 1,302,486.00	UW	Oct. 15, 1981-86	NY	5	17	$ 221,422.62	$ 39,074.58	$ 170,192.79(1)
(Firehalls, Police Garage and Public Safety Building)	19359	500,000.00	W	Dec. 1, 1966-86	C	4	6 3/8	31,875.00	16,790.88	466,151.80
	1586/77	583,000.00	UW	May 15, 1977-87	NY	5	8¼	48,097.50	17,490.00(3)	456,557.69(1)
	19430	690,000.00	W	June 1, 1967-87	C	4	6¼	43,125.00	23,171.41	608,111.44
	1852/78	500,000.00	UW	Feb. 1, 1978-88	C	5	9	45,000.00	39,752.29	338,427.84
	2971/81	3,300,000.00	UW	June 30, 1981-88	NY	5	15¾	519,750.00	99,000.00	437,457.41(1)
	4772B	80,000.00	SB	Oct. 1, 1969-89	C	Serial	7	5,600.00	18,000.00	—
	4025/85	680,000.00	UW	July 16, 1985-90	Lon	5	10 5/8	72,250.00	20,400.00	—
	19297	105,992.03	W	Apr. 1, 1966-91	C	Instal.	5 3/8	5,697.07	15,436.31	—
	3807/84	1,156,015.00	UW	Sept. 30, 1984-91	Lon	5	12¾	147,391.91	34,680.45	35,117.53
	19351	726,721.33	W	Oct. 1, 1966-91	C	Instal.	5 3/8	39,061.28	105,837.14	—
	2179/79	933,333.30	UW	Jan. 23, 1979-99	NY	Serial	9¾	87,750.00	43,506.11	239,998.64(4)
		$10,557,547.66						$1,267,020.38	$ 473,139.17	$ 2,752,015.14
Health and Social Development	19834	$ 8,178.22	W	July 2, 1971-86	C	Instal.	6 3/8	$ 529.40	$ 8,178.22	$ — (1)
(Urban Renewal, Community Health Centres and Hospital Capital Grants)	3064/81	3,948,750.00	UW	Oct. 15, 1981-86	NY	5	17	671,287.50	118,462.50	515,973.85(1)
	1852/78	175,000.00	UW	Feb. 1, 1978-88	C	5	9	15,750.00	13,913.30	118,449.72
	2622/80(E)	200,000.00	UW	May 16, 1980-88	C	5	14	28,000.00	10,000.00	56,989.69
	1633	500,000.00	M	Feb. 1, 1970-90	C	4	9½	47,500.00	16,791.00	348,485.66
	4025/85	1,600,000.00	UW	July 16, 1985-90	Lon	5	10 5/8	170,000.00	48,000.00	—
	1719	500,000.00	M	Oct. 1, 1970-90	C	4	9¼	46,250.00	16,791.00	339,569.01
	1802	720,000.00	M	Apr. 1, 1971-91	C	4	7½	54,000.00	24,179.00	455,560.66
	2179/79	1,866,666.60	UW	Jan. 23, 1979-99	NY	Serial	9¾	175,499.99	87,012.23	479,997.36(4)
		$ 9,518,594.82						$1,208,816.89	$ 343,327.25	$ 2,315,025.95

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.
(3) Principal amount does not include $28,861.17 provided from General Revenue Fund appropriations and/or Sinking Fund Surplus to maintain full Sinking Fund provision at maturity.
(4) Deferred Serial—Provision for repayment on Sinking Fund basis.
(E) Extendible to May 16, 1996 at 14%.

GENERAL DEBENTURE DEBT—Continued

Purpose of Issue	By-Law No	Amount of Debt	Issued By	Term of Debt	Payable	Interest Rates %		Annual Charges 1986		Sinking Fund Reserve at Dec. 31, 1985
						Sinking Fund	Debt	Interest	Principal Amortization	
General Government										
(Administration and Council Buildings, Parking Garage, Refunding issues and Signals Building)	19430	$ 600,000.00	W	June 1, 1967-87	C	4	6¼	$ 37,500.00	$ 20,149.05	$ 528,792.52
	19573	325,000.00	W	June 1, 1968-88	C	4	7½	24,375.00	10,914.07	264,673.49
	18869	715,000.00	W	Oct. 1, 1963-88	C	Serial	5½ & 5¾	41,112.50	225,000.00	—
	19050	2,500,000.00	W	Nov. 1, 1964-84/89	NY	4	4¾	118,750.00	60,029.93	1,931,727.66(1)
	4025/85	226,000.00	UW	July 16, 1985-90	Lon	5	10 5/8	24,012.50	6,780.00	—
	19336	433,852.23	W	Aug. 1, 1966-91	C	Instal	5 3/8	23,319.56	63,184.71	—
	3614/83	30,779.17	UW	Dec. 15, 1983-93	C	Instal.	6 3/8	1,993.45	3,057.01	—
		$ 4,830,631.40						$ 271,063.01	$389,114.77	$2,725,193.67
Downtown Parking	3064/81	$ 589,000.00	UW	Oct. 15, 1981-86	NY	5	17	$ 100,130.00	$ 17,670.00	$ 76,963.25(1)
	1586/77	1,000,000.00	UW	May 15, 1977-87	NY	5	8¼	82,500.00	30,000.00(3)	783,117.78(1)
	19852	1,000,000.00	W	Dec. 1, 1971-91	C	4	7¾	77,500.00	33,581.75	616,293.92
	1158/76	3,000,000.00	UW	Mar. 1, 1976-91/96	NY	5	9¼	277,500.00	90,727.76	1,042,213.65(1)
	3807/84	337,000.00	UW	Sept. 30, 1984-91	Lon	5	12¾	42,967.50	10,110.00	10,237.42
	1853/78	5,000,000.00	UW	Feb. 1, 1978-98	C	5	9¾	487,500.00	151,212.94	1,287,338.89
	2179/79	933,333.30	UW	Jan. 23, 1979-99	NY	Serial	9¾	87,750.00	43,506.11	239,998.64(4)
		$11,859,333.30						$1,155,847.50	$376,808.56	$4,056,163.55
Convention Centre	685/74	$ 1,044,715.96	UW	Mar. 23, 1973-93	C	Instal.	6.98	$ 72,921.17	$101,899.48	$ —
	383/73	4,100,000.00	UW	June 1, 1973-93	C	4	8 1/8	333,125.00	137,685.18	2,117,122.33
	750/74	4,500,000.00	UW	Aug. 1, 1974-94	C	5	10¾	483,750.00	198,075.14	2,872,604.44
	1158/76	770,000.00	UW	Mar. 1, 1976-91/96	NY	5	9¼	71,225.00	23,286.79	267,501.47(1)
		$10,414,715.96						$ 961,021.17	$460,946.59	$5,257,228.24

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.
(3) Principal amount does not include $49,504.58 provided from General Revenue Fund appropriations and/or Sinking Fund Surplus to maintain full Sinking Fund provision at maturity.
(4) Deferred Serial—Provision for repayment on Sinking Fund basis.

GENERAL DEBENTURE DEBT—Continued

Purpose of Issue	By-Law No.	Amount of Debt	Issued By	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1986 Interest	Annual Charges 1986 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1985
Centennial Centre	19430	$ 900,000.00	W	June 1, 1967-87	C	4	6¼	$ 56,250.00	$ 30,223.58	$ 793,188.86
	19488	900,000.00	W	Jan. 2, 1968-83/88	NY	4	6¼	60,750.00	30,223.58	744,715.62(1)
		$ 1,800,000.00						$ 117,000.00	$ 60,447.16	$ 1,537,904.48
Civic Accomodations	3064/81	$ 958,000.00	UW	Oct. 15, 1981-86	NY	5	17	$ 162,860.00	$ 28,740.00	$ 125,179.60(1)
	2971/81	1,700,000.00	UW	June 30, 1981-88	NY	5	15¾	267,750.00	51,000.00	225,356.85(1)
	4025/85	480,000.00	UW	July 16,1985-90	Lon	5	10 5/8	51,000.00	14,400.00	—
	2835/80	1,719,656.47	UW	Dec. 31, 1980-90	C	Serial	13½	232,153.49	262,848.89	—
	3807/84	1,035,225.00	UW	Sept 30, 1984-91	Lon	5	12¾	131,991.19	31,056.75	31,448.16
	3326/82	1,458,720.00	UW	Dec. 31,1982-92	C	Serial	12 3/8	180,516.60	143,040.00	—
	2179/79	1,866,666.60	UW	Jan. 23, 1979-99	NY	Serial	9¼	175,499.99	87,012.23	479,997.37(4)
		$ 9,218,268.07						$ 1,201,771.27	$ 618,097.87	$ 861,981.98
City Developments/Development Agreements	3064/81	$ 580,852.00	UW	Oct. 15, 1981-86	NY	5	17	$ 98,744.84	$ 17,425.56	$ 75,898.56(1)
	2179/79	933,333.30	UW	Jan. 23, 1979-99	NY	Serial	9¼	87,750.00	43,506.11	239,998.64(4)
		$ 1,514,185.30						$ 186,494.84	$ 60,931.67	$ 315,897.20
Old Market Square	2835/80	$ 744,794.85	UW	Dec. 31, 1980-90	C	Serial	13½	$ 100,546.77	$ 113,841.09	$ —
	3807/84	104,400.00	UW	Sept 30, 1984-91	Lon	5	12¾	13,311.00	3,132.00	3,171.47
	3614/83	94,844.11	UW	Dec. 15,1983-93	C	Instal.	6 3/8	6,142.67	9,420.00	—
		$ 944,038.96						$ 120,000.44	$ 126,393.09	$ 3,171.47
Overhead Walkways	2835/80	$ 71,853.31	UW	Dec. 31, 1980-90	C	Serial	13½	$ 9,701.00	$ 10,983.68	$ —
	3807/84	44,000.00	UW	Sept. 30, 1984-91	Lon	5	12¾	5,610.00	1,320.00	1,336.64
		$ 115,853.31						$ 15,311.00	$ 12,303.68	$ 1,336.64
Core Area Program	3064/81	$ 2,500,000.00	UW	Oct. 15, 1981-86	NY	5	17	$ 425,000.00	$ 75,000.00	$ 326,669.12(1)
	4025/85	4,919,000.00	UW	July 16,1985-90	Lon	5	10 5/8	522,643.75	147,570.00	—
	3807/84	6,000,000.00	UW	Sept. 30,1984-91	Lon	5	12¾	765,000.00	180,000.00	182,268.54
		$ 13,419,000.00						$ 1,712,643.75	$ 402,570.00	$ 508,937.66
North Portage Development	4025/85	$ 500,000.00	UW	July 16,1985-90	Lon	5	10 5/8	$ 53,125.00	$ 15,000.00	$ —
North Ellice Neighbourhood	4025/85	$ 25,000.00	UW	July 16,1985-90	Lon	5	10 5/8	$ 2,656.25	$ 750.00	$ —
Total General		$362,329,440.79						$40,713,985.02	$15,049,108.03	$101,400,682.67

(1) Recorded at par with Canadian Dollar—Equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.
(4) Deferred Serial—Provision for repayment on Sinking Fund basis.

Debt Issued By

W—City of Winnipeg (former)
UW—The City of Winnipeg (after unification Jan. 1/72)
M—The Metropolitan Corporation of Greater Winnipeg
C—Rural Municipality of Charleswood
FG—Rural Municipality of Fort Garry
SB—City of St. Boniface
SJ—City of St. James-Assiniboia
SV—City of St. Vital
TR—City of Transcona
T—Town of Tuxedo
WK—City of West Kildonan

Local Improvement Debenture Debt

By-Law No.	Debt Issued By	Amount of Debt: City at Large	Amount of Debt: Frontage Owners	Amount of Debt: Total	Term of Debt	Payable	Interest Rates %: Sinking Fund	Interest Rates %: Debt	Annual Charges 1986: Interest	Annual Charges 1986: Principal Amortization	Sinking Fund Reserve at Dec. 31, 1985
19295	Winnipeg	$ 235,392.80	$ 119,607.20	$ 355,000.000	Apr. 18, 1966-86	C	4	6¼	$ 11,093.75	$ 11,921.52	$ 339,174.02
1468/77	UW	—	5,500,000.00	5,500,000.00	Feb. 1, 1977-87	C	5	8¼	481,250.00	437,275.16	4,366,063.40
19430	Winnipeg	202,006.40	107,993.60	310,000.00	June 1, 1967-87	C	4	6¼	19,375.00	10,410.34	273,209.37
1812/77	UW	—	5,000,000.00	5,000,000.00	Dec. 15, 1977-87	C	5	8½	425,000.00	397,522.88	3,804,309.29
19573	Winnipeg	2,773.60	107,226.40	110,000.00	June 1, 1968-88	C	4	7½	8,250.00	3,693.99	89,581.74
19679	Winnipeg	151,149.60	103,850.40	255,000.00	May 1, 1969-89	C	4	8¼	21,037.50	8,563.35	191,888.50
749/74	UW	2,519.02	6,346.76	8,865.78	Nov. 1, 1974-89	C	5	8¼	775.75	410.86	5,884.95
800/74	UW	20,928.70	52,730.60	73,659.30	Nov. 1, 1974-89	C	5	10¾	7,918.38	3,413.54	48,894.07
19829	Winnipeg	—	60,000.00	60,000.00	June 15, 1971-91	C	4	8½	5,100.00	2,014.90	37,660.14
		$ 614,770.12	$11,057,754.96	$11,672,525.08					$ 979,800.38	$ 875,226.54	$9,156,665.48
Various	Charleswood	$ —	$ 79,409.64	$ 79,409.64	Various to 1990	C	Ser. & Inst.	5 5/8 to 8	$ 5,718.51	$ 46,125.64	$ —
Various	Fort Garry	1,995.84	34,814.90	36,810.74	Various to 1991	C	Ser. & Inst.	5 3/8 - 9¼	2,888.49	11,100.75	—
Various	N. Kildonan	—	60,850.02	60,850.02	Various to 1986	C	Ser. & Inst.	5 5/8 to 7	3,479.84	60,850.02	—
728	O. Kildonan	—	291.65	291.65	Nov. 1, 1966-86	C	Instal.	6	17.51	291.65	—
Various	St. Boniface	2,921.61	51,085.99	54,007.60	Various to 1990	C	Ser. & Inst	6 to 9	3,823.79	22,076.61	—
Various	St. James-Assiniboia	42,641.99	33,412.99	76,054.98	Various to 1987	C	Ser. & Inst.	5¼ to 7	5,325.00	43,579.01	—
Various	St. Vital	—	112,760.00	112,760.00	Various to 1990	C	Ser. & Inst.	8 to 9¼	9,849.55	23,360.00	—
Various	Transcona	—	114,560.00	114,560.00	Various to 1990	C	Serial	8 to 9¼	9,717.55	30,340.00	—
Various	Tuxedo	65,319.40	333,710.00	399,029.40	Various to 1991	C	Ser. & Inst.	5½ to 9¼	34,010.83	93,305.00	—
		$ 112,878.84	$ 820,895.19	$ 933,774.03					$ 74,831.07	$ 331,028.68	$ —
		$ 727,648.96	$11,878,650.15	$12,606,299.11					$1,054,631.45	$1,206,255.22	$9,156,665.48
								City at Large	$ 44,127.85	$ 63,473.21	$ 534,495.01
								Frontage Owners	1,010,503.60	1,142,782.01	8,622,170.47
									$1,054,631.45	$1,206,255.22	$9,156,665.48

The Winnipeg School Division No. 1 Debenture Debt

(Sinking Fund Invested by School Board)

By-Law No.	Amount of Debt	Term of Debt	Payable	Interest Rates %		Annual Charges 1986		Sinking Fund Reserve at Dec. 31, 1985
				Sinking Fund	Debt	Interest	Principal Amortization	
18623	$176,000.00	Nov. 1, 1961-86	C	Serial	5¼ & 5½	$ 9,680.00	$176,000.00	—
18869	675,000.00	Oct. 1, 1963-88	C	Serial	5½ & 5¾	38,812.50	213,000.00	—
*TOTAL	$851,000.00					$48,492.50	$389,000.00	$ —

*Excludes debt issued direct by The Winnipeg School Division No. 1.

City Owned Utilities—Debenture Debt

Hydro Electric System

By-Law No.	Debt Issued By	Amount of Debt	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1986 Interest	Annual Charges 1986 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1985
18623	W	$ 141,000.00	Nov. 1, 1961-86	C	Serial	5¼ & 5½	$ 7,755.00	$ 141,000.00	$ —
19359	W	1,000,000.00	Dec. 1, 1966-86	C	4	6 3/8	63,750.00	33,581.75	932,303.37
19488	W	1,600,000.00	Jan. 2, 1968-83/88	NY	4	6¾	108,000.00	53,730.80	1,323,938.62(1)
2622/80(E)	UW	10,500,000.00	May 16, 1980-88	C	5	14	1,470,000.00	525,000.00	2,991,959.01
19573	W	1,000,000.00	June 1, 1968-88	C	4	7½	75,000.00	33,581.75	814,379.99
18869	W	111,000.00	Oct. 1, 1963-88	C	Serial	5½ & 5¾	6,382.50	35,000.00	—
19050	W	4,000,000.00	Nov. 1, 1964-84/89	NY	4	4¾	190,000.00	96,047.88	3,090,764.00(1)
749/74	UW	88,665.78	Nov. 1, 1974-89	C	5	8¾	7,758.26	4,108.98	58,855.29
800/74	UW	736,659.30	Nov. 1, 1974-89	C	5	10¾	79,190.87	34,138.47	488,984.65
4025/85	UW	2,000,000.00	July 16, 1985-90	Lon	5	10 5/8	212,500.00	60,000.00	—
19775	W	3,000,000.00	Dec. 1, 1970-90	C	4	9¼	277,500.00	100,745.25	2,023,913.53
19829	W	1,000,000.00	June 15, 1971-91	C	4	8½	85,000.00	33,581.75	627,670.58
3807/84	UW	7,000,000.00	Sept. 30, 1984-91	Lon	5	12¾	892,500.00	210,000.00	212,646.63
19852	W	3,000,000.00	Dec. 1, 1971-91	C	4	7¾	232,500.00	100,745.25	1,848,881.79
585/74	UW	10,000,000.00	Apr. 1, 1974-94	C	5	8¾	875,000.00	302,425.87	4,457,765.62
1158/76	UW	10,000,000.00	Mar. 1, 1976-91/96	NY	5	9¼	925,000.00	302,425.87	3,474,045.50(1)
1853/78	UW	2,000,000.00	Feb. 1, 1978-98	C	5	9¾	195,000.00	60,485.17	514,935.53
		$57,177,325.08					$5,702,836.63	$2,126,598.79	$22,861,044.11

Steam Heating System

18869	W	$ 54,000.00	Oct. 1, 1963-88	C	Serial	5½ & 5¾	$ 3,105.00	$ 17,000.00	$ —

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.
(E) Extendible to May 16, 1996 at 14%.

Debt Issued by

W—City of Winnipeg (former)
UW—The City of Winnipeg (after unification January 1, 1972)

City Owned Utilities—Debenture Debt

Transit System

By-Law No.	Debt Issued By	Amount of Debt	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1986 Interest	Annual Charges 1986 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1985
3064/81	UW	$ 2,000,000.00	Oct. 15, 1981-86	NY	5	17	$ 340,000.00	$ 60,000.00	$ 261,335.29(1)
2622/80(E)	UW	1,500,000.00	May 16, 1980-88	C	5	14	210,000.00	75,000.00	427,422.71
1421	M	4,500,000.00	Dec. 1, 1968-85/88	NY	4	7½	337,500.00	151,118.00	3,592,894.23(1)
1533	M	2,000,000.00	July 1, 1969-89	NY	4	8	160,000.00	67,164.00	1,495,219.59(1)
1633	M	1,100,000.00	Feb. 1, 1970-90	C	4	9½	104,500.00	36,940.00	766,664.31
4025/85	UW	1,000,000.00	July 16, 1985-90	Lon	5	10 5/8	106,250.00	30,000.00	—
		$12,100,000.00					$1,258,250.00	$420,222.00	$6,543,536.13

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.
(E) Extendible to May 16, 1996 at 14%.

Debt Issued by

M—Metropolitan Corporation of Greater Winnipeg.
UW—The City of Winnipeg (after unification Jan. 1/72).

City Owned Utilities—Debenture Debt

Water Works System

By-Law No.	Debt Issued By	Amount of Debt	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1986 Interest	Annual Charges 1986 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1985
18623	W	$ 106,000.00	Nov. 1, 1961-86	C	Serial	5¼ & 5½	$ 5,830.00	106,000.00	$ —
19359	W	500,000.00	Dec. 1, 1966-86	C	4	6 3/8	31,875.00	16,790.87	466,151.52
3064/81	UW	1,000,000.00	Oct. 15, 1981-86	NY	5	17	170,000.00	30,000.00	130,667.65(1)
1586/77	UW	6,500,000.00	May 15, 1977-87	NY	5	8¼	536,250.00	65,000.00(3)	5,090,265.59(1)
19488	W	500,000.00	Jan. 2, 1968-83/88	NY	4	6¼	33,750.00	16,790.87	413,730.67(1)
2622/80(E)	UW	4,500,000.00	May 16, 1980-88	C	5	14	630,000.00	225,000.00	1,282,268.14
2971/81	UW	8,500,000.00	June 30, 1981-88	NY	5	15¼	1,338,750.00	85,000.00	375,594.74(1)
749/74	UW	44,334.22	Nov. 1, 1974-89	C	5	8¼	3,879.24	2,054.55	29,428.48
800/74	UW	368,340.70	Nov. 1, 1974-89	C	5	10¼	39,596.63	17,069.75	244,499.71
4025/85	UW	1,000,000.00	July 16, 1985-90	Lon	5	10 5/8	106,250.00	30,000.00	—
19829	W	500,000.00	June 15, 1971-91	C	4	8½	42,500.00	16,790.88	313,835.38
3807/84	UW	1,000,000.00	Sept. 30, 1984-91	Lon	5	12¾	127,500.00	10,000.00	10,126.03
3327/82	UW	4,000,000.00	Dec. 31, 1982-92	C	5	12¾	510,000.00	318,018.30	1,002,552.69
383/73	UW	2,000,000.00	June 1, 1973-93	C	4	8 1/8	162,500.00	67,163.49	1,032,742.43
885/75	UW	2,500,000.00	Mar. 17, 1975-95	C	5	9¾	243,750.00	75,606.47	988,618.02
1158/76	UW	5,000,000.00	Mar. 1, 1976-91/96	NY	5	9¼	462,500.00	151,212.94	1,737,022.81(1)
1853/78	UW	3,500,000.00	Feb. 1, 1978-98	C	5	9¾	341,250.00	105,849.06	901,137.26
2403/79	UW	141,885.68	Apr. 1, 1979-99	C	Instal.	9 5/8	13,985.11	5,125.05	—
2675/80	UW	474,919.88	May 1, 1980-2000	C	Instal.	11	53,677.82	13,473.52	—
2676/80	UW	2,341,294.75	May 1, 1980-2000	C	Instal.	9½	227,705.55	75,308.00	—
2709/80	UW	58,814.31	June 1, 1980-2000	C	Instal.	9 5/8	5,797.09	1,872.27	—
2710/80	UW	85,738.59	June 1, 1980-2000	C	Instal.	10	8,788.21	2,645.50	—
		$44,621,328.13					$5,096,134.65	$1,436,771.52	$14,018,641.12
1159	M	$ 220,000.00	Mar. 1, 1967-87	C	4	6	$ 13,200.00	$ 7,387.00	$ 195,774.73
1308	M	700,000.00	May 1, 1968-83/88	NY	4	7¼	50,750.00	—	700,000.00(1)(6)
1421	M	500,000.00	Dec. 1, 1968-85/88	NY	4	7½	37,500.00	16,791.00	399,213.10(1)
514	M	3,300,000.00	Dec. 2, 1963-88	C	3½	5½	181,500.00	84,725.00	2,746,683.08
579	M	2,160,000.00	May 1, 1964-89	C	3½	5½	118,800.00	55,456.00	1,717,898.97
710	M	700,000.00	Oct. 1, 1964-84/89	NY	3½	4¾	33,250.00	17,972.00	548,749.92(1)
814	M	500,000.00	Apr. 1, 1965-90	C	3½	5½	27,500.00	12,837.00	372,564.42
1719	M	1,300,000.00	Oct. 1, 1970-90	C	4	9¼	120,250.00	43,656.00	882,867.28
1891	M	225,000.00	Nov. 1, 1971-91	C	4	8¼	18,562.50	7,556.00	139,122.44
386	M	1,071,000.00	May 1, 1963-93	C	Serial	5¼	53,313.75	111,000.00	—
858	M	91,350.00	July 2, 1965-95	C	Instal.	5 3/8	4,910.06	7,136.58	—
1013	M	112,764.39	Apr. 1, 1966-96	C	Instal.	5 3/8	6,060.33	7,782.19	—
1108	M	169,606.12	Apr. 1, 1966-96	C	Instal.	5 3/8	9,116.33	11,706.45	—
1163	M	170,138.03	Oct. 1, 1966-96	C	Instal.	5 3/8	9,144.91	11,743.17	—
1466	M	890,242.91	Nov. 1, 1968-98	C	Instal.	5 5/8	50,076.16	48,294.62	—
		$12,110,101.45					$ 733,934.04	$ 444,043.01	$7,702,873.94

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves
(3) Principal amount does not include $451,779.74 provided from Water Works System operations and/or Sinking Fund Surplus to maintain full Sinking Fund provision at maturity.
(6) Extended to May 1, 1988. Fully Accumulated as at May 1, 1983
(E) Extendible to May 16, 1996 at 14%.

CITY OWNED UTILITIES—DEBENTURE DEBT
WATER WORKS SYSTEM—Continued

By-Law No.	Debt Issued By	Amount of Debt	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1986 Interest	Annual Charges 1986 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1985
5184	FG	$ 10.20	Various to 1987	C	Ser.& Inst.	6½ to 7	$ .71	$ 5.10	$ —
1903	NK	2,926.40	Dec. 1, 1968-86	C	Serial	7	204.85	2,926.40	—
Various	SB	97,361.79	Various to 1990	C	Instal.	6 to 9	6,874.93	23,210.15	—
Various	SJ	13,660.91	Various to 1987	C	Ser.& Inst.	5¾ to 7	956.29	12,860.58	—
8217	SV	26,248.30	Dec. 31, 1968-88	C	Inst.	8	2,099.86	8,085.36	—
Various	T	11,072.08	Various to 1990	C	Ser.& Inst.	5¼ to 9¼	969.27	2,425.22	—
		$ 151,279.68					$ 11,105.91	$ 49,512.81	$ —
TOTAL WATER WORKS SYSTEM		$56,882,709.26					$5,841,174.60	$1,930,327.34	$21,721,515.06

Debt Issued by

W—City of Winnipeg (former)
UW—The City of Winnipeg (after unification Jan. 1/72)
M—The Metropolitan Corporation of Greater Winnipeg
FG—R.M. of Fort Garry
NK—R.M. of North Kildonan
SB—City of St. Boniface
SJ—City of St. James-Assiniboia
SV—City of St. Vital
T—Town of Tuxedo

City Owned Utilities—Debenture Debt

Sewage Disposal System

By-Law No.	Debt Issued By	Amount of Debt	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1986 Interest	Annual Charges 1986 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1985
3064/81	UW	$17,000,000.00	Oct. 15, 1981-86	NY	5	17	$2,890,000.00	$ 510,000.00	$2,221,349.98(1)
1586/77	UW	3,500,000.00	May 15, 1977-87	NY	5	8¼	288,750.00	35,000.00(3)	2,740,912.18(1)
2622/80(E)	UW	2,500,000.00	May 16, 1980-88	C	5	14	350,000.00	125,000.00	712,371.20
2971/81	UW	500,000.00	June 30, 1981-88	NY	5	15¾	78,750.00	5,000.00	22,093.79(1)
4025/85	UW	6,000,000.00	July 16, 1985-90	Lon	5	10 5/8	637,500.00	180,000.00	—
3807/84	UW	2,000,000.00	Sept. 30, 1984-91	Lon	5	12¾	255,000.00	20,000.00	20,252.06
885/75	UW	2,500,000.00	Mar. 17, 1975-95	C	5	9¾	243,750.00	75,606.47	988,618.02
1853/78	UW	4,500,000.00	Feb. 1, 1978-98	C	5	9¾	438,750.00	136,091.64	1,158,604.96
2316/79	UW	316,793.70	Feb. 1, 1979-99	C	Instal.	10	32,471.35	11,119.84	—
2402/79	UW	447,567.37	Apr. 1, 1979-99	C	Instal.	9 5/8	44,114.93	16,166.58	—
2813/80	UW	2,420,929.38	Oct. 1, 1980-2000	C	Instal.	10	248,145.26	74,698.86	—
597/74	UW	61,161.70	Jan. 1, 1973-2003	C	Instal.	8¼	5,149.91	1,567.59	—
598/74	UW	2,606,993.01	June 1, 1973-2003	C	Instal.	8¼	219,512.88	66,816.86	—
599/74	UW	43,394.75	Jan. 1, 1973-2003	C	Instal.	7¾	3,428.25	1,170.06	—
600/74	UW	66,288.38	Jan. 1, 1973-2003	C	Instal.	7½	5,064.85	1,832.88	—
601/74	UW	206,608.79	Jan. 1, 1973-2003	C	Instal.	7¼	15,250.64	5,857.77	—
602/74	UW	53,778.19	Jan. 1, 1973-2003	C	Instal.	7½	4,108.99	1,486.98	—
684/74	UW	129,072.10	Dec. 1, 1973-2003	C	Instal.	8¼	10,868.07	3,308.12	—
996/75	UW	380,854.86	Apr. 1, 1975-2005	C	Instal.	7½	29,099.70	8,659.64	—
997/75	UW	598,976.01	Apr. 1, 1975-2005	C	Instal.	7 7/8	48,098.01	13,045.47	—
998/75	UW	34,051.69	Apr. 1, 1975-2005	C	Instal.	7½	2,601.76	774.25	—
1292/76	UW	1,415,493.67	Nov. 1, 1975-2005	C	Instal.	7½	108,152.56	32,184.63	—
1293/76	UW	51,500.14	Jan. 1, 1976-2006	C	Instal.	8	4,202.41	1,002.31	—
1294/76	UW	467,431.25	Feb. 1, 1976-2006	C	Instal.	10¾	51,599.30	6,437.62	—
1482/77	UW	143,204.80	Dec. 1, 1976-2006	C	Instal.	8	11,685.51	2,787.06	—
1483/77	UW	134,773.84	Dec. 1, 1976-2006	C	Instal.	8	10,997.55	2,622.96	—
2476/79	UW	1,222,121.97	Jan. 1, 1979-2009	C	Instal.	10 3/8	130,083.90	12,591.28	—
2401/79	UW	1,038,057.87	Apr. 1, 1979-2009	C	Instal.	10¾	114,590.24	10,102.70	—
2708/80	UW	810,256.25	June 1, 1980-2010	C	Instal.	10¾	89,443.43	7,040.02	—
		$51,149,309.72					$6,371,169.50	$1,367,971.59	$7,864,202.19
1159	M	$ 1,050,000.00	Mar. 1, 1967-87	C	4	6	$ 63,000.00	$ 35,261.00	$ 934,508.30
1308	M	800,000.00	May 1, 1968-83/88	NY	4	7¼	58,000.00	—	800,000.00(1)(6)
579	M	2,000,000.00	May 1, 1964-89	C	3½	5½	110,000.00	51,348.00	1,590,642.59
710	M	2,600,000.00	Oct. 1, 1964-84/89	NY	3½	4¾	123,500.00	66,753.00	2,038,209.59(1)
814	M	500,000.00	Apr. 1, 1965-90	C	3½	5½	27,500.00	12,837.00	372,564.42
1891	M	675,000.00	Nov. 1, 1971-91	C	4	8¼	55,687.50	22,668.00	417,367.40
586	M	52,109.64	Nov. 1, 1963-93	C	Instal.	5 1/8	2,704.84	5,419.93	—
700	M	63,984.13	Mar. 1, 1964-94	C	Instal.	5 1/8	3,321.20	5,757.34	—
761	M	429,702.55	Aug. 1, 1964-94	C	Instal.	5 1/8	22,304.42	38,664.80	—
859	M	286,210.51	Aug. 1, 1964-94	C	Instal.	5 1/8	14,856.23	25,753.33	—
860	M	141,794.36	Aug. 1, 1964-94	C	Instal.	5¼	7,541.91	12,691.41	—
900	M	36,453.98	Dec. 1, 1964-94	C	Instal.	5 3/8	1,985.73	3,245.59	—
887	M	2,829,003.09	July 1, 1965-95	C	Instal.	5 1/8	146,844.05	222,924.71	—
1032	M	71,750.18	Sept. 1, 1965-95	C	Instal.	5 3/8	3,908.39	5,586.47	—
1135	M	569,822.03	Sept. 1, 1965-95	C	Instal.	5 1/8	29,577.55	44,901.80	—

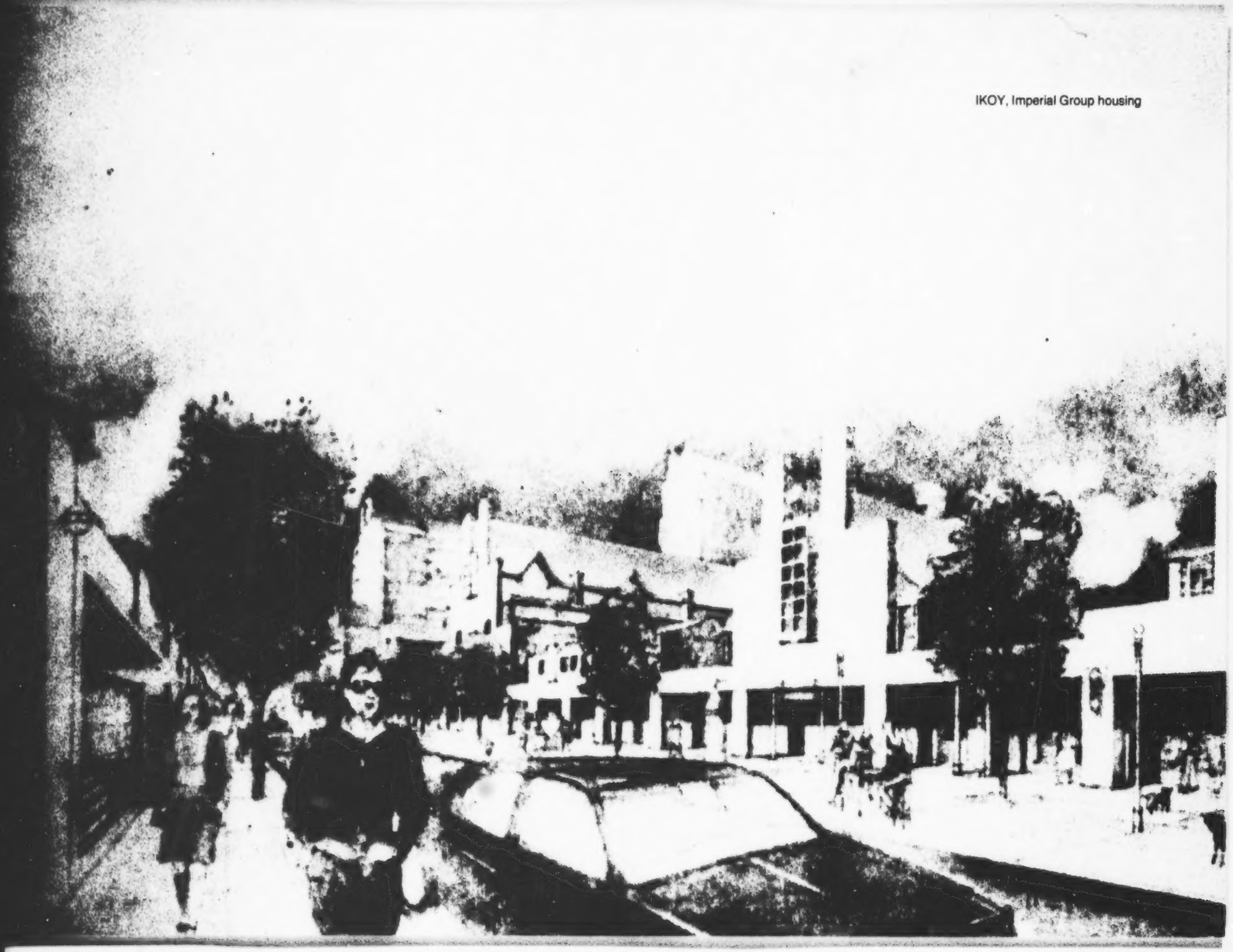
(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.
(3) Principal amount does not include $243,266.01 provided from Sewage Disposal System operations and/or Sinking Fund Surplus to maintain full Sinking Fund Provision at maturity.
(6) Extended to May 1, 1988, Fully Accumulated as at May 1, 1983
(E) Extendible to May 16, 1996 at 14%.

CITY OWNED UTILITIES—DEBENTURE DEBT
SEWAGE DISPOSAL SYSTEM—Continued

By-Law No.	Debt Issued By	Amount of Debt	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1986 Interest	Annual Charges 1986 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1985
1033	M	$ 235,927.51	Dec. 1, 1965-95	C	Instal.	5 1/8	$ 12,246.20	$ 18,591.05	$ —
1013	M	54,297.99	Apr. 1, 1966-96	C	Instal.	5 3/8	2,919.27	3,748.69	—
1279	M	29,866.14	Dec. 1, 1967-97	C	Instal.	5 1/8	1,550.25	1,855.74	—
1280	M	266,923.80	Dec. 1, 1967-97	C	Instal.	5 7/8	15,912.10	15,858.22	—
1348	M	19,042.20	Dec. 1, 1967-97	C	Instal.	5 1/8	988.42	1,183.20	—
1443	M	147,043.24	Oct. 1, 1968-98	C	Instal.	6¼	9,333.80	7,615.17	—
1545	M	191,392.88	May 1, 1969-99	C	Instal.	6 3/8	12,395.75	8,807.19	—
1679	M	24,927.29	Jan. 1, 1970-2000	C	Instal.	6 7/8	1,743.21	992.47	—
1692	M	155,309.21	Jan. 1, 1970-2000	C	Instal.	6¼	9,858.49	6,497.72	—
1766	M	222,157.77	Oct. 1, 1970-2000	C	Instal.	6 7/8	15,535.86	8,845.34	—
1923	M	387,877.82	Sept. 1, 1971-2001	C	Instal.	8¼	32,659.92	12,345.36	—
		$13,840,596.32					$ 785,875.09	$ 640,152.53	$6,153,292.30
1659	C	$ 19,696.20	Nov. 1, 1969-89	C	Serial	8	$ 1,575.70	$ 9,056.00	$ —
Various	FG	26,352.22	Various to 1991	C	Ser.& Inst.	5 7/8to8¼	1,926 26	8,240.40	—
1903	NK	2,926.40	Dec. 1, 1968-86	C	Serial	7	204.85	2,926.40	—
728	OK	292.01	Nov. 1, 1966-86	C	Instal.	6	17.51	292.01	—
Various	SB	24,022.32	Various to 1990	C	Ser.& Inst.	6 to 9	1,970.86	7,592.15	—
Various	SJ	1,423.61	Various to 1987	C	Ser.& Inst.	5¾ to 7	99.63	800.87	—
Various	T	8,072.48	Various to 1990	C	Ser.& Inst.	5¼ to 9¼	716.77	1,648.52	—
		$ 82,785.24					$ 6,511.58	$ 30,556.35	$ —
TOTAL SEWAGE DISPOSAL SYSTEM		$65,072,691.28					$7,163,556.17	$2,038,680.47	$14,017,494.49

Debt Issued by

W—City of Winnipeg (former)
UW—The City of Winnipeg (after unification Jan. 1/72)
M—The Metropolitan Corporation of Greater Winnipeg
C—R.M. of Charleswood
FG—R.M. of Fort Garry
NK—R.M. of North Kildonan
OK—R.M. of Old Kildonan
SB—City of St. Boniface
SJ—City of St. James-Assiniboia
T—Town of Tuxedo



IKOY, Imperial Group housing

Annual Report of the Sinking Fund Trustees 1985

The Sinking Fund Trustees of the City of Winnipeg

His Worship the Mayor
and Members of the Council
of The City of Winnipeg.

Ladies and Gentlemen:

Pursuant to the requirements of The City of Winnipeg Act, the Sinking Fund Trustees submit the 1985 financial statements of the Sinking Fund duly audited comprising the following:

1. Balance Sheets as at December 31, 1985.
2. Income Account for the year ended December 31, 1985.
3. Surplus Account for the year ended December 31, 1985.
4. Reserve Account for Retirement of Debenture Debt for the year ended December 31, 1985.
5. Reserve Account for Commutation of Levies for the year ended December 31, 1985.

Assets of the Sinking Fund amounted to $227,868,126. as at December 31, 1985. The Sinking Fund Reserve requirements amounted to $210,139,819. and the balance of $17,728,307. represents funds payable to the City of Winnipeg, O'Connell Trust and unallocated surplus.

The excess of interest earnings over requirements amounted to $13,881,984. for the year and after adding $2,584,289. representing net gains on disposal of securities and deducting administrative expenses amounting to $129,797. the net excess of investment earnings over requirements amounted to $16,336,476. The balance in Surplus Account at December 31, 1984 of $1,340,065. added to the net investment earnings over requirements of $16,336,476. less appropriations of $2,180,183. to Sinking Fund provision for By-law 1586/77, $12,647,988. towards Foreign Exchange requirements and $2,000,000. towards Commutation of Levies leaves a balance of $848,370. in Surplus Account as at December 31, 1985.

The rates of interest earned by the Fund for the years 1976 to 1985 are shown below:

1976	7.88%	1981	10.61%
1977	8.27%	1982	11.35%
1978	8.61%	1983	11.59%
1979	9.69%	1984	11.42%
1980	10.18%	1985	11.68%

Changes in Sinking Fund Debt in 1985:

	Sinking Fund Debt	Sinking Fund Reserve	Net
January 1, 1985	$392,096,000	$187,322,626	$204,773,374
December 31, 1985	431,359,333	210,988,189	220,371,144
	$ 39,263,333	$ 23,665,563	$ 15,597,770
	Increase	Increase	Increase

The reserves amounting to $210,139,819. required for the retirement of City of Winnipeg Sinking Fund debt plus the unallocated surplus of $848,370 totals $210,988,189.

The Sinking Fund Trustees administer the assets of the following funds, on which separate reports are being submitted:

Fund	Assets
Sinking Fund	$227,868,127
Workers Compensation Reserve Fund	784,737
Parks Reserve Fund	1,982,070
Insurance Reserve Fund	3,812,308
Winnipeg Enterprises Corporation Sinking Fund	1,160,144
	$235,607,386

In 1972 Winnipeg Enterprises Corporation enlarged the seating capacity of the Winnipeg Stadium by the addition of new stands. The cost of construction was financed by the issue of $1,500,000.00 of 8½% sinking fund debentures to mature June 15, 1992. Principal and interest on these debentures was guaranteed by the City of Winnipeg. At the request of City Council, the Sinking Fund Trustees agreed to administer the sinking fund for retiral of the debt at maturity and commencing June 15, 1973 the annual levies are being paid to the Sinking Fund Trustees.

In addition to the above funds the Sinking Fund Trustees administer in trust, allocated income of the following plans. The amounts of the assets administered by the Trustees are:

Fund	Assets
Employee Benefits Board Pension Fund	$238,004,554
Civic Pension Fund	122,308,038
Winnipeg Police Pension Plan	95,542,581
Council Members Pension Fund	30,087
Police Pension Fund	3,533
Employee Benefits Board Group Insurance Fund	7,679,691
	$463,568,484

Respectfully submitted,

A. HOWISON
Chairman

C. M. ZEILSTRA
Trustee

M. SMITH
Trustee

L. HUTCHEON
(City Treasurer) Trustee

D. E. HALL
Secretary

The Sinking Fund Trustees of the City of Winnipeg Balance Sheet

As at December 31, 1985

Assets

INVESTMENT IN BONDS AND DEBENTURES (Notes 1 and 2)

	1985			1984	
	Par Value	Book Value	% of Total	Book Value	% of Total
Government of Canada and Government of Canada guaranteed	$ 57,385,000	$57,143,332	27	$12,687,007	8
Provincial and Provincial guaranteed	30,425,000	30,039,609	14	25,474,396	16
City of Winnipeg	71,605,485	64,870,096	31	69,041,229	43
City of Winnipeg guaranteed	5,801,000	5,787,052	3	6,663,052	4
Other Canadian cities and municipalities, school districts school divisions and other institutions	20,891,000	20,779,812	10	21,701,657	14
Bank certificates of deposit	20,400,000	20,400,000	10	23,199,300	15
	$206,507,485	199,019,901	95	158,766,641	100
BOND RESIDUES & COUPONS:					
Government of Canada		5,596,480	3	2,609,548	
Provincial		4,312,320	2	3,823,615	
		208,928,701	100	165,199,804	
ACCRUED INTEREST		4,037,686		3,655,601	
CASH		63,979		626,137	
CALL LOANS — CITY OF WINNIPEG		5,350,000		23,700,000	
ACCOUNTS RECEIVABLE (Note 3)		9,482,761		8,272,919	
		$227,868,127		$201,454,461	

Liabilities, Reserves and Surplus

	1985	1984
APPROPRIATIONS PAYABLE		
City of Winnipeg	$ 16,877,363	$14,129,375
RESERVE ACCOUNTS		
Retirement of debenture debt	175,700,938	160,631,049
Foreign exchange requirement	34,438,881	25,181,253
Commutation of Levies	—	170,259
SURPLUS ACCOUNT	848,370	1,340,065
J. D. O'CONNELL TRUST	2,575	2,460
	$227,868,127	$201,454,461

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditors' Report

To the Sinking Fund Trustees of
The City of Winnipeg:

We have examined the balance sheet of The City of Winnipeg — Sinking Fund as at December 31, 1985 and the statements of income, surplus account and reserves for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1985 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Winnipeg, Manitoba
February 28, 1986

Deloitte, Haskins & Sells
Chartered Accountants

The Sinking Fund Trustees of the City of Winnipeg Statement of Income Account

For The Year Ended December 31, 1985

	1985	1984
INTEREST INCOME	$22,979,586	$20,424,098
INTEREST REQUIREMENTS		
Funded debt reserves	8,782,487	7,438,375
Fully accumulated reserves (By-law 19630)	—	97,178
(By-law 1308) (Note 6)	315,000	315,000
O'Connell Trust	115	115
	9,097,602	7,850,668
EXCESS OF INTEREST EARNED OVER REQUIREMENTS	13,881,984	12,573,430
NET GAIN ON DISPOSAL OF INVESTMENTS	2,584,289	1,719,434
	16,466,273	14,292,864
ADMINISTRATION EXPENSES	129,797	122,919
NET INCOME FOR THE YEAR TO SURPLUS ACCOUNT	$16,336,476	$14,169,945

Statement of Surplus Account

For The Year Ended December 31, 1985

	1985	1984
BALANCE, AT BEGINNING OF THE YEAR	$ 1,340,065	$ 1,250,303
ADD		
Net income for the year	16,336,476	14,169,945
	17,676,541	15,420,248
DEDUCT		
Appropriations for City of Winnipeg		
To Commutation of Levies	2,000,000	—
Foreign exchange expense	12,647,988	11,900,000
Sinking fund reserves — By-law 1586/77	2,180,183	2,180,183
	16,828,171	14,080,183
BALANCE, AT END OF THE YEAR	$ 848,370	$ 1,340,065

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The Sinking Fund Trustees of the City of Winnipeg
Statement of Reserve for Retirement of Debenture Debt
For The Year Ended December 31, 1985

	1985			
	Accumulated Reserve	Foreign Exchange Requirement	Total	1984 Total
BALANCE AT BEGINNING OF THE YEAR	$160,631,050	$25,181,252	$185,812,302	$165,806,054
ADD				
Instalments — City of Winnipeg	18,100,153	9,264,706	27,364,859	24,692,365
Interest credited	7,536,144	1,246,343	8,782,487	7,438,375
Transfer from reserve for commutation of levies	170,259	—	170,259	181,946
	186,437,606	35,692,301	222,129,907	198,118,740
DEDUCT				
Applied to debt redemption	10,736,668	1,253,420	11,990,088	12,306,438
BALANCE AT END OF THE YEAR	$175,700,938	$34,438,881	$210,139,819	$185,812,302

Statement of Reserve for Commutation of Levies
For The Year Ended December 31, 1985

	1985	1984
BALANCE AT BEGINNING OF YEAR	$170,259	$352,205
DEDUCT		
Transfer to reserve for retirement of debenture debt	170,259	181,946
BALANCE, END OF YEAR	$ —	$ 170,259

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The Sinking Fund Trustees of the City of Winnipeg Notes to the Financial Statements

December 31, 1985

1. VALUATION OF INVESTMENTS

Investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to the income account in the year of purchase.

When investments are sold or mature, the difference between carrying value and proceeds is written off to the income account at that time.

Bond residues and coupons are carried at cost plus accrued income. Income is accrued on the book value of the investments at a rate equivalent to the effective yield of each investment.

2. FOREIGN INVESTMENTS

Sinking fund assets include investments issued in United States currency having an aggregrate carrying value of $11,445,353 expressed in Canadian funds.

	Par (U.S. $)	Carrying Value
Provincial and Provincial guaranteed	$ 2,150,000	$2,325,914
City of Winnipeg	9,598,000	9,119,439
	$11,748,000	$11,445,353

3. ACCOUNTS RECEIVABLE

	1985	1984
City of Winnipeg — foreign exchange requirement	$9,264,706	8,032,212
Employee Benefits Board — share of administration expenses	216,255	239,507
Sundry	1,800	1,200
	$9,482,761	$8,272,919

4. FOREIGN EXCHANGE REQUIREMENT

The foreign exchange requirement of $34,438,881 (1984 - $25,181,252) which is included in the reserve for retirement of funded debt represents the additional amount required to increase the reserve balances for funded debt issued in foreign currencies to amounts based on the related foreign exchange rates at December 31, 1985.

5. SERIAL DEBENTURE (BY-LAW 2179/79)

The reserve for retirement of funded debt includes sinking fund instalments totalling $5,999,967 plus accumulated interest which is provided for the retirement of a serial debenture of $25,000,000 issued under By-Law 2179/79. This debenture does not require sinking fund payments to be made for retirement. Amounts applied to debt redemption on the statement of reserve for retirements of funded debt include $1,666,667 representing redemption of serial debentures issued under By-Law 2179/79.

6. INTEREST REQUIREMENT ON FULLY ACCUMULATED DEBT

By-Law 1308

Debentures of $3,000,000 issued by the City of Winnipeg maturing in 1988 had sinking fund requirements which provided for full funding of reserves as of May 1, 1983, the call date. The City of Winnipeg did not exercise its option to call the issue.

The Sinking Fund holds investments equivalent to the amount reserved and the interest earned by the Fund after May 1, 1983 on these investments is paid to the City of Winnipeg.

7. RESERVE FOR COMMUTATION OF LEVIES

During 1980, $2,854,402 was appropriated from the surplus account to be applied to the reserve for retirement of funded debt with respect to specific debenture issues to replace instalments which would otherwise be due from the City of Winnipeg.

The balance of $170,259 was applied in 1985.

Winnipeg Enterprises Corporation
Sinking Fund - Balance Sheet

As At December 31, 1985

Assets

	1985	1984
INVESTMENT — at cost		
8½% debenture of The Winnipeg Enterprises Corporation due June 15, 1992 (Par value $1,105,000)	$1,105,000	$975,000
OTHER ASSETS		
Accrued interest	4,117	3,633
Cash	1,027	242
Call loans — City of Winnipeg	50,000	43,000
TOTAL	$1,160,144	$1,021,875

Liabilities

RESERVE FOR RETIREMENT OF FUNDED DEBT		
Reserve account as required by By-law	$ 840,618	$ 757,541
Surplus account	319,226	264,034
Accounts payable	300	300
TOTAL	$1,160,144	$1,021,875

Statement of Surplus Account

For the Year Ended December 31, 1985

BALANCE AT BEGINNING OF THE YEAR	$ 264,034	$ 215,622
ADD		
Net income for the year	55,192	48,412
BALANCE AT END OF THE YEAR	$ 319,226	$ 264,034

Statement of Reserve Account

For the Year Ended December 31, 1985

BALANCE AT BEGINNING OF THE YEAR	$ 757,541	$ 678,042
ADD		
Instalments received	47,814	47,814
Interest credited	35,263	31,685
BALANCE AT END OF THE YEAR	$ 840,618	$ 757,541

Statement of Income

For The Year Ended December 31, 1985

INTEREST INCOME	$ 90,812	$ 80,486
INTEREST REQUIREMENTS — debenture debt reserve	35,263	31,685
	55,549	48,801
ADMINISTRATION FEES	357	389
NET INCOME FOR THE YEAR TO SURPLUS ACCOUNT	$ 55,192	$ 48,412

Auditors' Report

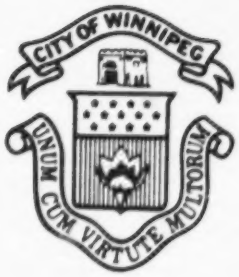
To the Sinking Fund Trustees of
The City of Winnipeg:

We have examined the balance sheet of The City of Winnipeg—Winnipeg Enterprises Corporation Sinking Fund as at December 31, 1985 and the statements of income, surplus account and reserve account for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1985 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Winnipeg, Manitoba
February 28, 1986

Deloitte, Haskins & Sells,
Chartered Accountants.



symbology

The motto of the crest "UNUM CUM VIRTUTE MULTORUM" is the Latin translation for "One with the strength of many". Two thoughts lie behind this motto. Firstly, Winnipeg is perhaps uniquely one city formed of people of all races; and secondly, it is one city formed from many cities.

The significance of the emblazonry upon the crest may be described as follows:

The Fort Garry Gate at the top represents Winnipeg's early history as a Hudson Bay fur trading centre.

Beneath the gate, thirteen gold stars on a blue field symbolize the thirteen former municipal governments which have been unified to create the new city. The blue background depicts Winnipeg's clear blue skies.

Below the sky, a prairie crocus upon a plain green field represents Winnipeg's location as a prairie city.